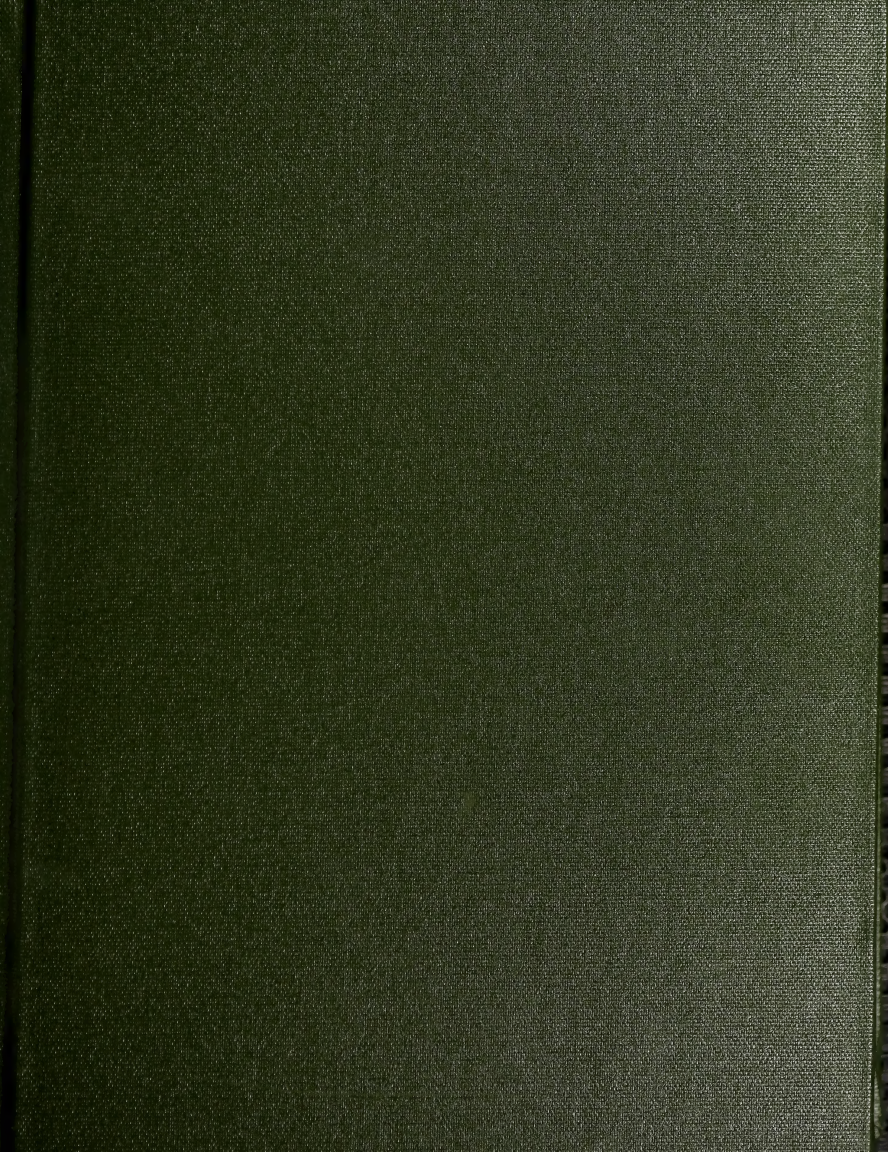




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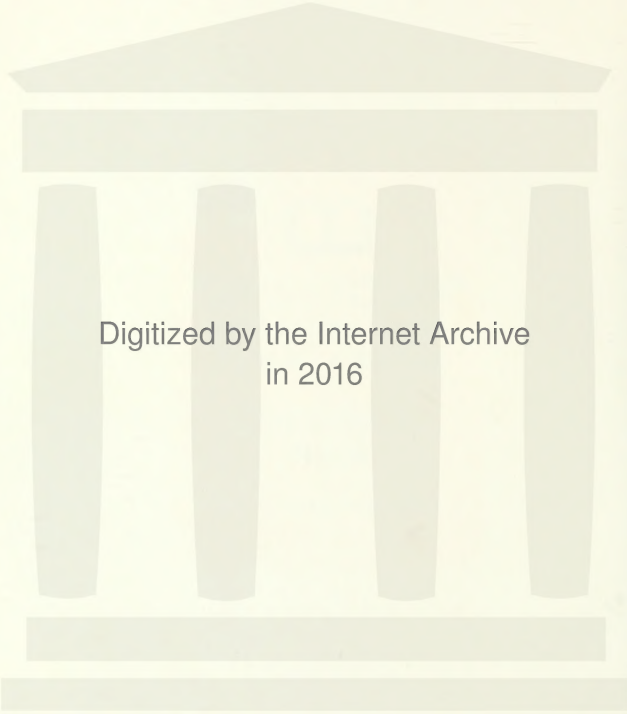
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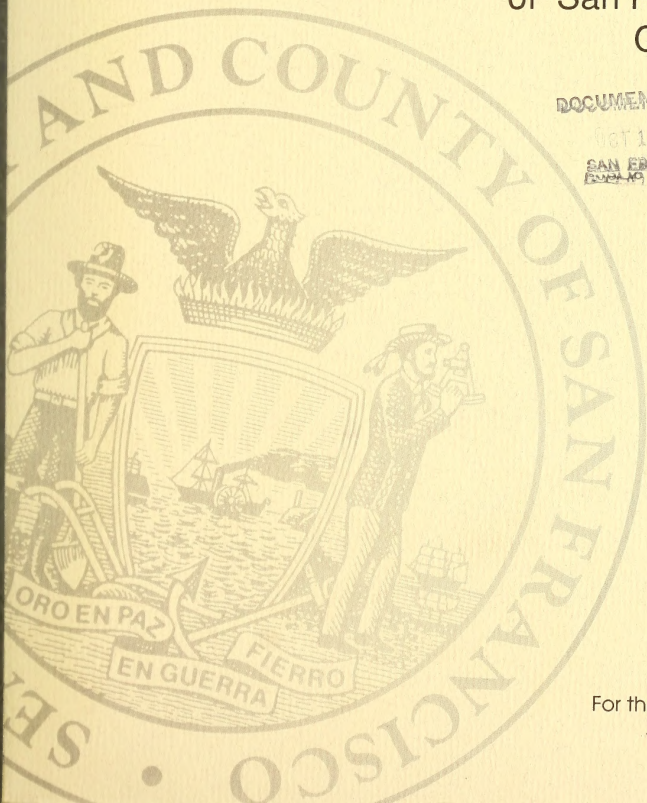
COMPREHENSIVE ANNUAL FINANCIAL REPORT

City and County
of San Francisco
California

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CITY AND COUNTY OF SAN FRANCISCO, CALIFORNIA

Comprehensive Annual Financial Report

Year ended June 30, 1990



Prepared by:
Office of the Controller

Samuel D. Yockey
Samuel D. Yockey
Controller

CITY AND COUNTY OF SAN FRANCISCO

Comprehensive Annual Financial Report Year ended June 30, 1990

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November 7, 1990

The Honorable Mayor and the Honorable
Board of Supervisors
City and County of
San Francisco, California

I am pleased to present the Comprehensive Annual Financial Report (CAFR) of the City and County of San Francisco, California (the City) for the fiscal year ended June 30, 1990 with the independent auditors' report, submitted in compliance with City Charter Sections 3.302, 3.303, and 3.305 and California Government Code Sections 25250 and 25253. The CAFR has been prepared by the Controller's Office in conformance with the principles and standards for financial reporting set forth by the Governmental Accounting Standards Board (GASB). Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. I believe that the data, as presented, is accurate in all material respects; that its presentation fairly shows the financial position and the results of the City's operations as measured by the financial activity of its various funds; and that the included disclosures will provide the reader with a full understanding of the City's financial affairs.

Our Comprehensive Annual Financial Report is divided into three sections:

The Introductory Section includes information about the organizational structure of the City, its accounting and budgetary systems, and fund structure. It also has summarized data reflecting the financial condition of the City including an analysis of general government operations, enterprise operations, and debt administration.

The Financial Section is prepared using the pyramid approach prescribed by the GASB. It includes the General Purpose Financial Statements presenting the combined statements as an overview of the City's entire financial operations. Next, combining and individual fund and account group statements present each of the material separate funds and account groups of the City. Schedules provide certain other information and details of data summarized in the financial statements. The statements and schedules included in this section pertain to those operations which, when taken together, make up the reporting entity of the City. Also included in this section is the Independent Auditors' Report on the financial statements and schedules.

• *The Statistical Section* includes tables containing historical financial data, debt statistics, and miscellaneous social and economic data of the City that are of interest to potential investors in our bonds and to other readers. The data includes ten-year revenue and expenditure information on an inflation adjusted basis.

THE REPORTING ENTITY AND ITS SERVICES

This CAFR includes all component units, funds and account groups of the City as described in notes 1 and 2 to the combined financial statements. We considered the oversight responsibility of the Mayor and the Board of Supervisors and the scope of public service in determining those departments, agencies, commissions, boards, activities, and functions whose financial information should be included

Office of Controller

in the CAFR. Oversight responsibility includes the ability to significantly influence operations, select the governing authority, designate management and participate in fiscal management. The general governmental funds provide a full range of services, including all the functions delegated to cities and counties under state law. (See the organization chart on page xiv for a comprehensive listing.) Included also are the enterprise operations of San Francisco International Airport, San Francisco General Hospital Medical Center, Laguna Honda Hospital, Port of San Francisco, Clean Water Program, Water Department/Hetch Hetchy Project, and Municipal Railway and Municipal Railway Improvement Corporation; the operations of nine nonprofit corporations associated with the City; the operations of the San Francisco County Transportation Authority; the operations of the San Francisco Redevelopment Agency and its Financing Authority; and the operations of the Employees' Retirement System and Health Service System.

The San Francisco Unified School District, San Francisco Community College, San Francisco Housing Authority, and Private Industry Council of San Francisco were not included because they have only limited relationships with the City. The City is represented in two regional agencies, the Bay Area Rapid Transit District (BART), and the Bay Area Air Quality Management District (BAAQM) which are also excluded from the City's reporting entity.

SAN FRANCISCO'S ECONOMY

San Francisco continues to enjoy a healthy economic climate, despite the effects of the October 17, 1989 Loma Prieta earthquake. While the earthquake did have an effect on certain industries, e.g. hotels, and on City revenues generated by these industries, the effect has not been long lasting as evidenced by recent tax receipts.

City real output produced grew by three percent in calendar year 1989 (measured in 1982 dollars), well above the growth rate experienced for Real U.S. Gross National Product in 1989. This impressive growth was fueled by the addition of over 11,000 new jobs to the economy, 6,300 of which were in the services industry. Not surprisingly, the unemployment rate for San Francisco, measured at an annualized rate of 4.1 percent for 1989, remained well below the national rate of 5.3 percent. San Francisco will no doubt continue to enjoy one of the highest per capita income levels in the United States, since personal income is estimated to have increased by over five percent in 1989, while population declined slightly.

The economic vitality described above, particularly in employment growth, has generated growth in City revenues. The aggregate of General Fund local taxes (property, business, sales, utility users, real estate transfer, parking and hotel) grew by approximately 7 percent in fiscal year 1989-90. This growth occurred despite the effects of the Loma Prieta earthquake. The Mayor's Budget Office estimates that the earthquake resulted in a loss of approximately \$15 million in General Fund revenues (1.7 percent) and did not affect the City's ability to provide an adequate level of service in fiscal year 1989-90. Additional information on the financial impact of the earthquake is included in note 13 to the combined financial statements.

MAJOR INITIATIVES

Over the past year, San Francisco has made significant progress on a variety of major development projects which promise to enhance San Francisco's economic vitality and quality of life.

After years of delay, the Redevelopment Agency and a developer reached an agreement to develop the Yerba Buena Center and Gardens. The proposed development would encompass new retail and commercial space, a public theater, and a complex of gardens adjacent to the expanded Moscone Convention Center.

The City is continuing its efforts to develop a major new neighborhood—Mission Bay. This proposed long-term development as currently envisioned will provide a significant impetus to continued economic

Office of Controller

growth. This new neighborhood is expected to provide almost five million square feet of new office space and thousands of units of both market rate and affordable housing.

Some of the other initiatives which had been planned by the City, such as a new multi-service center for the homeless and new recreation programs for the City's children, were delayed or postponed by the earthquake but have now been resumed. The City's efforts in the aftermath of the earthquake not only demonstrated its resiliency, but also demonstrated an ability to reassess priorities and pursue new opportunities in the face of changing events. For example, after years of debate, the City decided to raze the Embarcadero Freeway. The freeway, which was significantly damaged by the earthquake, will be replaced by a partially submerged roadway. This replacement roadway will not only improve transportation along the waterfront and improve the City's skyline, it will also open the waterfront to increased recreational uses for San Francisco's residents and visitors.

In the aftermath of the earthquake the City and the Redevelopment Agency worked together to create a new redevelopment project area to replace the housing destroyed in the South of Market area. City voters also approved a \$332.4 million bond measure to not only rebuild most of the physical plant which was damaged during the earthquake but also retrofit those facilities for future seismic protection. The City has been very diligent in documenting those costs which are eligible for reimbursement from State and Federal emergency funds, which will lead to a high level of reimbursement from these governments.

ACCOUNTING AND BUDGETING SYSTEMS

The City's financial picture is more readily understood with a general introduction to our accounting and budgeting systems. These systems provide the means for allocation of available resources and for the proper control and recording of revenues and expenditures.

The City's accounting records are maintained on a modified accrual basis for all governmental fund types and expendable trust and agency funds. Using this basis, expenditures other than interest on long-term debt are recorded when the liabilities are expected to be liquidated within the next year, and revenues are recorded when susceptible to accrual; that is, when both measurable and available. All other funds use the accrual basis where transactions are recognized when they occur, regardless of the timing of the related cash flow. Note 2 describes the City's significant accounting policies.

As part of our ongoing effort to maintain fiscal stewardship and financial accountability, the City uses a fully computerized Financial Accounting Management Information System (FAMIS). Modifications and enhancements have been made continuously to FAMIS to keep abreast of changing accounting techniques and principles. FAMIS is based on the single transaction concept of processing, where all relevant files and reports are updated from a single input of information. Lookup tables are used to conform all accounting and classification treatments and may be changed by simple file maintenance initiated by the Controller's Office. Thus structured, FAMIS provides:

- (1) General and subsidiary accounting of all funds.
- (2) Appropriation accounting for all budgeted items.
- (3) Object-of-expenditure control.
- (4) Departmental cost and operating accounting.
- (5) Function and program accounting.
- (6) Project cost accounting.
- (7) Integrated Treasury management for pooled cash.

Office of Controller

In developing and evaluating the City's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within the above framework. We believe that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

The City's budget is a detailed operating plan which identifies estimated costs and results in relation to estimated revenues. The budget includes (1) the programs, projects, services, and activities to be carried on during the fiscal year, (2) the estimated revenue available to finance the operating plan, and (3) the estimated spending requirements of the operating plan. The budget represents a process where policy decisions by the Mayor and Board of Supervisors are made, implemented, and controlled. Note 2(d) to the CAFR summarizes the budgetary roles of various City officials and the timetable for their various budgetary actions according to the City Charter.

FINANCIAL SUMMARY

The following describes the significant financial highlights of the City's operations for the year ended June 30, 1990.

General Government Functions

The general government functions are contained in the General, Special Revenue and Debt Service Funds. These funds account for the major portion of the City's operating revenues and expenditures. Revenues for general government functions totaled approximately \$1,469 million in fiscal year 1990, an increase of approximately 11.1% from fiscal year 1989. The following table presents the amount of revenues from various sources as well as increases or decreases from the prior year.

Revenues Classified by Source General, Special Revenue, and Debt Service Funds (In Thousands)

Revenues by Source	Amount	% of Total	Increase / (Decrease) Over 1989	
			Amount	% of Change
Property taxes	\$ 457,867	31.1%	\$ 47,742	11.6%
Business taxes	152,265	10.4	9,552	6.7
Other* local taxes	228,964	15.6	(882)	(0.4)
Grants and subventions	443,821	30.2	80,913	22.3
Licenses, fines, and penalties	50,296	3.4	(231)	(0.5)
Interest and investment earnings	31,714	2.2	1,304	4.3
Charges for services	90,956	6.2	9,438	11.6
Other	12,795	0.9	(1,091)	(7.9)
Total	<u>\$1,468,678</u>	<u>100.0%</u>	<u>\$146,745</u>	<u>11.1%</u>

Property tax revenues increased 11.6% (\$47.7 million). Major sources of the increase were a growth in assessed valuation of approximately 8.8% and an increase in the City's tax requirements for general obligation bonds of \$4.2 million. Existing business taxes increased 6.7% (\$9.6 million). Other local taxes

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show a net decrease of 0.4% (\$0.9 million). Six months of new retail sales tax for the Transportation Authority generated \$5.7 million, offset by decreases in revenues for Hotel Room Tax (\$3.7 million) and Real Property Transfer Tax (\$4.1 million).

The increase of \$80.9 million in grants and subventions was primarily due to the new Proposition 99 Tobacco Tax subventions (\$14.9 million), Social Services subventions (\$17.3 million) which are largely expenditure-driven revenues, trial court funding (\$8.2 million) and various smaller grants: Health Education and Welfare (\$6.3 million), Department of Health (\$4.6 million), Department of Transportation (\$3.3 million) and Economic Development Revolving Loan Fund (\$2.8 million). Earthquake-related grant reimbursements in the General Fund totaled \$10.6 million.

Charges for services increased \$9.4 million; \$1.5 million in the General Fund and \$7.9 million in Special Revenue Funds. These increases came from a variety of sources and were due to the City's emphasis on recovering more of the costs of operations from users' fees.

Expenditures for general government functions totaled \$1,263 million in fiscal year 1990, an increase of 11.2% over fiscal year 1989. Expenditures by major service area and increases or decreases from the prior year are shown in the following table.

Expenditures Classified by Major Service Area General, Special Revenue, and Debt Service Funds (In Thousands)

Expenditure by Major Service Area	Amount	% of Total	Increase / (Decrease) Over 1989	
			Amount	% of Change
Public protection	\$ 451,575	35.7%	\$ 29,479	7.0%
Public works, transportation, and commerce	75,645	6.0	12,813	20.4
Human welfare and neighborhood development	275,066	21.7	29,149	11.9
Community health	163,771	13.0	26,971	19.7
Culture and recreation	116,972	9.3	15,556	15.3
General administration and finance	128,562	10.2	(5,813)	(4.3)
Debt service:				
Principal retirement	24,250	1.9	13,744	130.8
Interest and fiscal charges	27,155	2.2	5,220	23.8
Total	<u>\$1,262,996</u>	<u>100.0%</u>	<u>\$127,119</u>	<u>11.2%</u>

The General Fund portion of expenditure increases for the current fiscal year reflect a two-year salary adjustment for all City staff following the one-year freeze on salaries and benefits in place for fiscal year 1988-89. While most other operating expenditures were held constant or reduced, operating budgets are labor intensive, i.e., public safety, community health, and culture and recreation. Additionally, certain Special Revenue Funds had significant expenditure increases: Culture and Recreation includes \$7.1 million for land acquisitions by the Open Space and Park Fund; Community Health includes program expansions funded by increased grants of \$9.6 million; and Public Works, Transportation and Commerce includes increases of \$8.7 million related to Off-Street Parking projects (\$5.6 million) and Building Inspection services (\$3.1 million).

The net decrease in General Administration and Finance is largely due to a \$7.3 million reduction in accrable expenditures for claims litigation, workers' compensation liability and employee benefit expenses. Debt Service expenditures have begun to show the increased costs, particularly principal payments, resulting from sale of general obligation bonds over the past few years (\$342.4 million sold since July 1, 1987).

Office of Controller

Enterprise Operations

The public service enterprise operations are financed and operated similarly to private businesses. Costs (including depreciation) of providing services to the general public are recovered in whole or in part through user charges. The following table shows actual revenues, expenses and results of operations for the current fiscal year (in thousands):

	Operating Revenues	Operating Expenses	Operating Income (Loss)	Non- Operating Revenues (Expenses)	Net Operating Transfers In (Out)	Net Income (Loss)
Airport	\$139,156	\$111,409	\$ 27,747	\$(14,159)	\$(12,074)	\$ 1,514
Port	29,610	27,811	1,799	(1,758)	—	41
Water/Hetch Hetchy	127,967	103,102	24,865	(1,779)	(15,000)	8,086
Muni Railway	80,636	265,340	(184,704)	64,660	112,568	(7,476)
Laguna Honda Hospital	67,929	81,011	(13,082)	684	10,437	(1,961)
General Hospital	114,028	216,120	(102,092)	31,757	68,786	(1,549)
Clean Water	65,324	71,312	(5,988)	(13,562)	6,097	(13,453)
Parking Garages/Other	16,012	10,943	5,069	(406)	(2,716)	1,947
Total	<u>\$640,662</u>	<u>\$887,048</u>	<u>\$(246,386)</u>	<u>\$ 65,437</u>	<u>\$168,098</u>	<u>\$(12,851)</u>

Debt Administration

The City's ratio of net bonded debt to taxable valuation and the amount of bonded debt per capita are useful indicators of our debt position to management, citizens, and investors. A comparison of these indicators follows:

	1990	1989
Net tax supported bonded debt	\$217,764,000	\$202,612,000
Net bonded debt per capita	299.55	276.91
Ratio of net bonded debt to taxable valuation	.48	.48
Tax rate per \$100 taxable valuation	.05	.05

As of June 30, 1990, the City had \$219.6 million in authorized, outstanding property tax-supported general obligation bonds. Remaining authorized, unissued general obligation bonds totaled \$578.3 million. An additional \$16.5 million general obligation bonds were approved in the November 6, 1990 election for correctional facility construction or reconstruction. Our current ratings on general obligation bonds are:

Moody's Investors Service, Inc.	Aa
Standard and Poor's Corporation	Aa

The City is also responsible for collecting taxes to pay a portion of general obligation debt of the Bay Area Rapid Transit District (BART). The City taxpayers are responsible for \$110.7 million or approximately 31.7% of BART outstanding debt.

Cash Management

The City's pooled deposits and investments are invested pursuant to policy established by the Treasurer which seeks preservation of capital, liquidity and yield, in that order of priority. The policy addresses soundness of financial institutions holding our assets and the types of investments permitted by the California Government Code. The earned yield for the current fiscal year was 8.37%. The Employees' Retirement Systems and the Redevelopment Agency deposits and investments are maintained outside the City Treasury and follow policies established by their respective governing boards.

Office of Controller

Risk Management

With few exceptions, the City does not purchase commercial insurance against property, liability or workers' compensation risks. The major enterprise fund departments (Airport, Municipal Railway, Water/Hetch Hetchy and Port), whose uninsured losses must be paid from their own revenues, account for 90% of insurance purchased by the City. The balance of insurance is purchased by the General Fund for departments as required by bond financing and for art at City-owned museums. The City's insurance/self-insurance program is reviewed annually in the budget process.

The City self insures for workers' compensation claims. A portion of the estimated cost is allocated to each department according to a formula which considers claims payment history (experience) and payroll (exposure). This increases the visibility of workers' compensation issues in each department, and creates financial accountability in General Fund departments. In order to better control the costs of workers' compensation, the Risk Management Office is working with interested departments to develop workers' compensation programs tailored to the needs of each department. The programs focus on accident prevention, investigation and a return-to-work modified duty program.

Fund Balances

At June 30, 1990, the City had \$1.1 million in its General Fund unreserved-undesignated fund balance, as determined under generally accepted accounting principles, which reflects accrued liabilities of \$60.3 million incurred (e.g., claims litigation, workers' compensation liability and employee benefit expenses) which will be budgeted and paid in fiscal year 1990-91. General Fund reserved fund balances include \$12.8 million reserved by ordinance but which require appropriations for actual expenditure as described in note 3 to the combined financial statements, and \$11.3 million for appropriations which had been made but where specific commitments or expenditures had not yet occurred. Accordingly, these appropriations have been carried forward to fiscal year 1990-91.

As explained in note 3, the City prepares its budget on an accounting basis different from generally accepted accounting principles. The unappropriated budgetary fund balance at June 30, 1990 was \$51.8 million. The fiscal year 1990-91 General Fund budget, after establishment of budgetary reserves of \$32.8 million, requires \$40.5 million of prior year fund balance.

At June 30, 1990, the Special Revenue and Capital Projects fund types had unreserved fund balances of \$225.5 million and appropriations carried forward of \$123.0 million, as presented in the accompanying combined financial statements. These fund balances may be used only for specific purposes.

INDEPENDENT AUDIT

The City's Charter requires an annual audit of the Controller's records. The financial statements of the Office of the Controller and the combined financial statements included in the Comprehensive Annual Financial Report were audited by a consortium headed by the nationally recognized certified public accounting firm, KPMG Peat Marwick. The various enterprise funds, the Employees' Retirement System, the Health Service System the San Francisco County Transportation Authority and the Redevelopment Agency were separately audited.

The report from the consortium of independent auditors, KPMG Peat Marwick, Williams, Adley and Company and Chek F. Tan (representing a separate consortium known as Associated Asian CPA Firms), on our current financial statements is presented in the Financial Section.

Office of Controller

CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 1989 as it did for the seven preceding years.

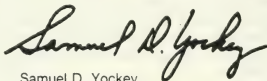
To be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized CAFR, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. We believe our current report continues to conform to Certificate of Achievement for Excellence in Financial Reporting requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

ACKNOWLEDGEMENTS

I would like to express my appreciation to the entire staff of the Controller's Office whose professionalism, dedication and efficiency are responsible for the timely preparation of this report. I would like to thank KPMG Peat Marwick for their invaluable professional assistance. Finally, I thank the Mayor, members of the Board of Supervisors and the Audit Advisory Committee for their continued interest and unfailing support in planning and conducting the City's financial operations in a responsible and progressive manner.

Respectfully submitted,

A handwritten signature in dark ink, reading "Samuel D. Yockey". The signature is fluid and cursive, with the first name "Samuel" being the most prominent part.

Samuel D. Yockey
Controller

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City and County of San Francisco,
California

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 1989

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFR's) achieve the highest standards in government accounting and financial reporting.



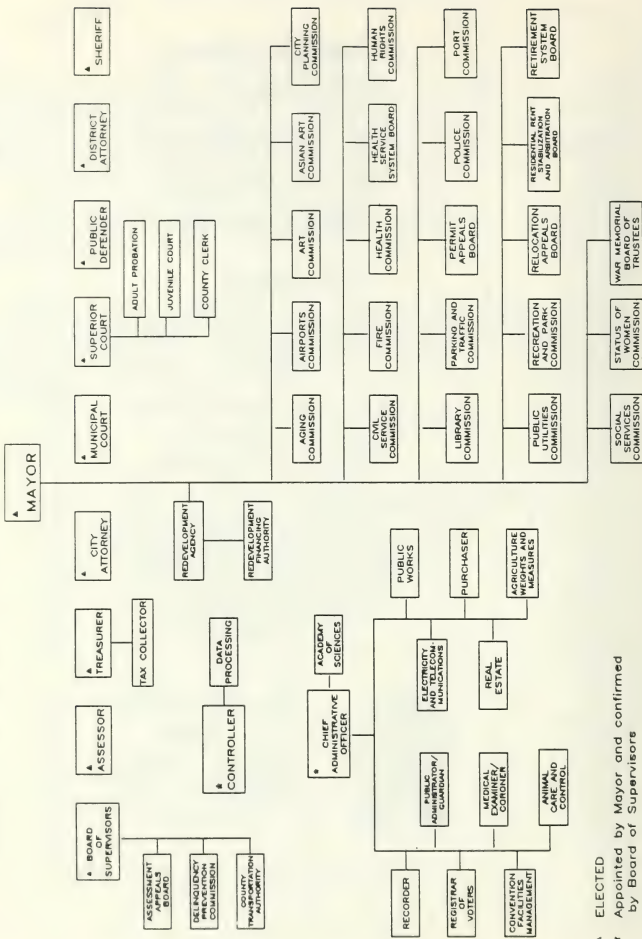
Gary R. Nordstrom

President

Jeffrey L. Esler

Executive Director

San Francisco City and County Government



▲ ELECTED
★ Appointed by Mayor and confirmed by Board of Supervisors

CITY AND COUNTY OF SAN FRANCISCO

List of Principal Officials as of June 30, 1990

ELECTED OFFICIALS

Mayor	Art Agnos
Board of Supervisors:	
President	Harry G. Britt
Supervisor	Angela Alioto
Supervisor	Jim Gonzalez
Supervisor	Terence Hallinan
Supervisor	Richard D. Hongisto
Supervisor	Tom Hsieh
Supervisor	Willie B. Kennedy
Supervisor	Bill Maher
Supervisor	Wendy Nelder
Supervisor	Nancy G. Walker
Supervisor	Doris M. Ward
Assessor	Sam Duca
City Attorney	Louise H. Renne
District Attorney	Arlo Smith
Public Defender	Jeff Brown
Sheriff	Michael Hennessey
Treasurer /Tax Collector	Mary Callanan
Superior Court (29 Departments)	
Presiding Judge	Ollie Marie-Victoire
Municipal Court (20 Departments)	
Presiding Judge	William J. Mallen

APPOINTED OFFICIALS

Chief Administrative Officer	Rudolf Nothenberg
Controller	Samuel D. Yockey

DEPARTMENT DIRECTORS

Chief Adult Probation Officer	Arlene Sauser
Executive Director of Commission on the Aging	Joyce J. Ream
Commissioner of Agriculture/Sealer of Weights and Measures	G. Evan Weeth
Director of Airports	Louis A. Turpen
Director of Animal Care and Control	Carl Friedman
Director of Art Commission	Claire Isaacs
Director of Asian Art Commission	Rand Castile
Executive Director of California Academy of Sciences	Roy Eisenhardt
Clerk of the Board of Supervisors	John L. Taylor
General Manager of Personnel, Civil Service Commission	John J. Walsh
Director of Convention Facilities	Jack Moerschbaeche
County Clerk	Donald Dickinson
General Manager of Electricity and Telecommunications	Barry McAvoy
Director of Fine Arts Museums	Harry S. Parker III
Fire Chief	Frederick Postel

DEPARTMENT DIRECTORS—(Continued)

Executive Director of Health Service System	Randall B. Smith
Director of Health	David Werdegarr, M.D.
Deputy Director for Community Mental Health Services	Reiko True, M.D.
Acting Director of San Francisco General Hospital Medical Center	Robert Christmas
Administrator of Laguna Honda Hospital	Anthony Wagner
Director of Human Rights Commission	Peter Jamero
Chief Probation Officer—Juvenile Court	Fred Jordan
City Librarian	Kenneth E. Dowlin
Law Librarian	John Hauff
Chief Medical Examiner/Coroner	Boyd G. Stephens, M.D.
Director of Parking Authority	Phil Chin
Executive Director of Parking and Traffic	Rina Cutler
Executive Director of Permit Appeals Board	Robert H. Feldman
Director of City Planning	Dean Macris
Chief of Police	Frank Jordan
Port Director	Michael P. Huerta
Public Administrator/Public Guardian	Ricardo Hernandez
General Manager of Public Utilities Commission	Thomas J. Elzey
General Manager of Hetch Hetchy Project	Anson Moran
Acting General Manager of Municipal Railway	Johnny Stein
General Manager of Water	John Mullane
Director of Public Works	Richard Evans
Executive Director of Clean Water Program	Robert T. Cockburn
Director of Purchasing	Marvin Geistlinger
Director of Real Estate	Anthony DeLucchi
Recorder	Bruce Jamison
General Manager of Recreation and Parks Commission	Mary Burns
Executive Director of San Francisco Redevelopment Agency	Edward N. Helfeld
Registrar of Voters	Germaine Wong
Director of Residential Rent Stabilization and Arbitration Board	Joseph Grubb
General Manager of Employees' Retirement System	Clare M. Murphy
General Manager of Social Services	Julia I. Lopez
Director of Commission on Status of Women	Sharon Johnson
Managing Director of War Memorial	Thelma Shelley

INDEPENDENT AUDITORS' REPORT

The Honorable Mayor and Board of Supervisors
City and County of San Francisco, California

We have audited the combined financial statements of the City and County of San Francisco as of and for the year ended June 30, 1990, as listed in the accompanying table of contents. These combined financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these combined financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the combined financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of the City and County of San Francisco, as of June 30, 1990, and the results of its operations and the changes in financial position of its proprietary and similar trust fund types for the year then ended in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the combined financial statements taken as a whole. The combining, individual fund, and individual account group financial statements and schedules listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the combined financial statements of the City and County of San Francisco. Such information has been subjected to the auditing procedures applied in the audit of the combined financial statements and, in our opinion, is fairly stated in all material respects in relation to the combined financial statements taken as a whole.

KPMG Peat Marwick
Chek Tan
Williams, Adley & Company

San Francisco, California
November 7, 1990

Combined Financial Statements
(General Purpose Financial Statements)

CITY AND COUNTY OF SAN FRANCISCO
Combined Balance Sheet—All Fund Types and Account Groups
June 30, 1990
(In Thousands)

ASSETS

	Governmental Fund Types				Proprietary Fund Types		Fiduciary Fund Types	Account Groups		
	General	Special Revenue	Debt Service	Capital Projects	Enterprise (Note 9)	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Obligations	Total (Memorandum Only)
Deposits and investments (note 4)	\$100,797	\$101,443	\$ 1,924	\$175,187	\$ 344,867	\$ 4,871	\$ 220,803	\$ —	\$ —	\$ 949,811
Investments with trustee (note 4)	—	1,922	38,229	638	12,267	—	4,159,082	—	—	4,212,111
Receivables (net of allowance for uncollectible amounts of \$25,811)	—	—	—	—	—	—	—	—	—	—
Property taxes and penalties ..	46,155	972	3,012	—	—	—	—	—	—	50,139
Other local taxes	76,827	16,941	—	—	—	—	—	—	—	93,768
Federal and state grants and subventions	25,540	14,922	—	3,840	29,755	—	—	—	—	74,057
Charges for services	239	—	—	—	88,507	—	—	—	—	88,746
Interest and other	4,452	2,974	428	1,548	20,097	—	159,480	—	—	188,979
Interfund receivables (note 11) ..	38,451	57,889	81	126,839	19,007	5,626	5,285	—	—	253,117
Loans receivable	—	30,975	—	10,050	—	—	—	—	—	41,025
Inventories	594	22	—	—	28,259	118	—	—	—	28,995
Restricted assets:										
Deposits and investments (note 4)	—	—	—	—	498,975	—	—	—	—	498,975
Investments with trustee (note 4)	—	—	—	—	142,784	—	—	—	—	142,784
Grants and other receivables ..	—	—	—	—	34,484	—	—	—	—	34,484
Property held for resale and/or lease (note 10)	—	—	—	104,540	—	—	—	—	—	104,540
Fixed assets (net of accumulated depreciation in proprietary fund types) (note 6)	—	—	—	—	2,694,158	3,019	—	1,003,865	—	3,701,041
Deferred charges and other assets	603	5,657	—	—	6,570	5	4,469	—	—	17,304
Amount available in Debt Service Funds	—	—	—	—	—	—	—	—	40,345	40,345
Amount to be provided for long-term obligations	—	—	—	—	—	—	—	—	575,673	575,673
Total assets	\$293,658	\$233,717	\$43,674	\$422,642	\$3,919,730	\$13,639	\$4,549,119	\$1,003,865	\$616,018	\$11,096,062

(Continued)

See accompanying notes to combined financial statements.

CITY AND COUNTY OF SAN FRANCISCO
Combined Balance Sheet—All Fund Types and Account Groups—(Continued)
June 30, 1990
(In Thousands)
LIABILITIES

	Governmental Fund Types				Proprietary Fund Types		Fiduciary Fund Types	Account Groups		
	General	Special Revenue	Debt Service	Capital Projects	Enterprise (Note 9)	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Obligations	Total (Memorandum Only)
Accounts payable	\$ 15,551	\$ 11,315	\$ —	\$ 21,933	\$ 50,061	\$ 1,140	\$ 29,534	\$ —	\$ —	\$ 129,534
Accrued payroll	37,452	9,112	—	—	30,557	998	222	—	—	78,341
Accrued vacation and sick leave pay (note 7)	29,396	—	—	380	42,725	—	425	—	47,597	120,523
Accrued workers' compensation (notes 7 and 12)	12,000	—	—	—	32,477	—	—	—	61,260	105,737
Estimated claims payable (notes 7 and 12)	18,938	—	—	—	17,632	—	—	—	16,672	53,242
Deferred tax, grant and subvention revenues	50,424	7,194	—	—	—	—	—	—	—	57,618
Interfund payables (note 11)	32,607	43,392	—	18,187	46,650	2,685	109,657	—	—	253,178
Agency obligations:										
School and College Districts	—	—	—	—	—	—	103,014	—	—	103,014
Other	—	—	—	—	—	—	117,443	—	—	117,443
Deferred credits and other liabilities	6,655	38,923	3,329	11,452	44,240	—	209,280	—	—	313,879
Bond interest payable	—	—	—	—	19,504	—	—	—	—	19,504
Bonds, loans and capital leases payable (notes 7 and 12)	—	—	—	—	1,175,649	169	—	—	490,489	1,666,307
Liabilities payable from restricted assets	—	—	—	—	27,274	—	—	—	—	27,274
Total liabilities	203,023	109,936	3,329	51,952	1,486,769	4,992	569,575	—	616,018	3,045,594
FUND EQUITY										
Contributed capital, net	—	—	—	—	1,274,593	4,503	—	—	—	1,279,096
Investment in general fixed assets	—	—	—	—	—	—	—	1,003,865	—	1,003,865
Retained earnings:										
Reserved	—	—	—	—	—	4,385	—	—	—	4,385
Unreserved (deficit)	—	—	—	—	1,158,368	(241)	—	—	—	1,158,127
Fund balances:										
Reserved for employees' retirement/health benefits	—	—	—	—	—	—	3,967,774	—	—	3,967,774
Reserved by charter for cash requirements	43,574	—	—	—	—	—	—	—	—	43,574
Reserved by charter for emergencies	4,862	—	—	—	—	—	—	—	—	4,862
Reserved for inventory type assets not available for appropriation	1,485	4,018	—	—	—	—	351	—	—	5,854
Reserved for property held for resale and/or lease (note 10)	—	—	—	104,540	—	—	—	—	—	104,540
Reserved for debt service	—	—	40,345	—	—	—	—	—	—	40,345
Reserved for encumbrances	15,623	8,230	—	29,149	—	—	—	—	—	53,002
Reserved for appropriation carryforward	11,286	62,680	—	60,360	—	—	6,744	—	—	141,070
Reserved for subsequent years' budgets	12,750	—	—	—	—	—	—	—	—	12,750
Unreserved—undesignated	1,055	48,853	—	176,641	—	—	4,675	—	—	231,224
Total fund equity	90,635	123,781	40,345	370,690	2,432,961	8,647	3,979,544	1,003,865	—	8,050,468
Total liabilities and fund equity	\$293,658	\$233,717	\$43,674	\$422,642	\$3,919,730	\$13,639	\$4,549,119	\$1,003,865	\$616,018	\$11,096,062

See accompanying notes to combined financial statements.

CITY AND COUNTY OF SAN FRANCISCO
Combined Statement of Revenues, Expenditures
and Changes in Fund Balances—
All Governmental Fund Types and Expendable Trust Funds
Year ended June 30, 1990

(In Thousands)

	Governmental Fund Types				Fiduciary Fund Type	Total (Memoran- dum Only)
	General	Special Revenue	Debt Service	Capital Projects	Expendable Trust	
Revenues:						
Property taxes	\$420,820	\$ 11,915	\$25,132	\$ 2,136	\$ —	\$ 460,003
Business taxes	152,265	—	—	—	—	152,265
Other local taxes	170,238	58,726	—	—	—	228,964
Grants and subventions	353,615	89,840	366	4,665	1,442	449,928
Licenses, fines and penalties	46,856	3,440	—	—	—	50,296
Interest and investment earnings	20,081	7,747	3,886	17,241	824	49,779
Charges for services	27,626	62,365	965	—	84	91,040
Contributions	—	—	—	—	7,484	7,484
Land sales proceeds	—	—	—	571	—	571
Other	7,088	2,191	3,516	6,005	—	18,800
Total revenues	<u>1,198,589</u>	<u>236,224</u>	<u>33,865</u>	<u>30,618</u>	<u>9,834</u>	<u>1,509,130</u>
Expenditures:						
Operating expenditures:						
Public protection	443,808	7,767	—	—	391	451,966
Public works, transportation and commerce	23,867	51,778	—	—	15	75,660
Human welfare and neighborhood development	245,162	29,904	—	—	47	275,113
Community health	135,886	27,885	—	—	687	164,458
Culture and recreation	62,755	54,217	—	—	777	117,749
General administration and finance Capital outlay	106,420	22,142	—	144,489	371	128,933
Debt service:	—	—	—	—	—	144,489
Principal retirement	—	—	24,250	—	—	24,250
Interest and fiscal charges	—	—	27,155	—	—	27,155
Total expenditures	<u>1,017,898</u>	<u>193,693</u>	<u>51,405</u>	<u>144,489</u>	<u>2,288</u>	<u>1,409,773</u>
Excess (deficiency) of reve- nues over (under) expenditures	<u>180,691</u>	<u>42,531</u>	<u>(17,540)</u>	<u>(113,871)</u>	<u>7,546</u>	<u>99,357</u>
Other financing sources (uses):						
Operating transfers in	34,796	14,294	12,037	85,852	—	146,979
Operating transfers out	(207,289)	(52,234)	(51,701)	(2,278)	(1,575)	(315,077)
Proceeds from issuance of bonds (note 7)	—	—	39,199	27,500	—	66,699
	<u>(172,493)</u>	<u>(37,940)</u>	<u>(465)</u>	<u>111,074</u>	<u>(1,575)</u>	<u>(101,399)</u>
Excess (deficiency) of reve- nues and other sources over (under) expenditures and other uses	<u>8,198</u>	<u>4,591</u>	<u>(18,005)</u>	<u>(2,797)</u>	<u>5,971</u>	<u>(2,042)</u>
Fund balances at beginning of year	82,205	118,557	58,350	360,713	5,819	625,644
Residual equity transfer (note 9(f))	—	—	—	2,794	—	2,794
Net change in reserve for inventory type assets not available for appro- priation (note 10)	232	633	—	9,980	(20)	10,825
Fund balances at end of year	<u>\$ 90,635</u>	<u>\$123,781</u>	<u>\$40,345</u>	<u>\$370,690</u>	<u>\$11,770</u>	<u>\$ 637,221</u>

See accompanying notes to combined financial statements.

CITY AND COUNTY OF SAN FRANCISCO

Combined Statement of Revenues, Expenditures, Encumbrances and Changes in Fund Balances—Budget and Actual— General and Special Revenue Fund Types—Budget Basis (note 3)

Year ended June 30, 1990

(In Thousands)

	General Fund			Special Revenue Funds		
	Revised Budget	Actual	Variance— Favorable (Unfavorable)	Revised Budget	Actual	Variance— Favorable (Unfavorable)
Revenues:						
Property taxes	\$ 415,757	\$ 425,170	\$ 9,413	\$ 11,799	\$ 12,042	\$ 243
Business taxes	152,206	152,998	792	—	—	—
Other local taxes	177,120	170,241	(6,879)	57,757	53,023	(4,734)
Grants and subventions	349,540	355,903	6,363	19,885	20,244	359
Licenses, fines and penalties ..	55,478	46,859	(8,619)	3,577	2,956	(621)
Interest and investment earnings	17,978	20,129	2,151	4,578	5,317	739
Charges for services	29,777	29,870	93	47,643	44,237	(3,406)
Other	6,419	7,085	666	175	1,409	1,234
Total revenues	<u>1,204,275</u>	<u>1,208,255</u>	<u>3,980</u>	<u>145,414</u>	<u>139,228</u>	<u>(6,186)</u>
Expenditures and encumbrances:						
Public protection	451,203	443,810	7,393	96	45	51
Public works, transportation and commerce	24,084	23,254	830	48,995	47,161	1,834
Human welfare and neighbor- hood development	249,490	243,906	5,584	12,583	12,406	177
Community health	148,960	141,999	6,961	19	19	—
Culture and recreation	63,460	62,475	985	57,344	53,555	3,789
General administration and finance	119,410	112,610	6,800	11,218	11,142	76
Total expenditures and encumbrances	<u>1,056,607</u>	<u>1,028,054</u>	<u>28,553</u>	<u>130,255</u>	<u>124,328</u>	<u>5,927</u>
Excess of revenues over expenditures and encumbrances	<u>147,668</u>	<u>180,201</u>	<u>32,533</u>	<u>15,159</u>	<u>14,900</u>	<u>(259)</u>
Other financing sources (uses):						
Operating transfers in	45,954	34,902	(11,052)	51,749	48,331	(3,418)
Operating transfers out	(221,028)	(207,312)	13,716	(75,932)	(70,514)	5,418
	<u>(175,074)</u>	<u>(172,410)</u>	<u>2,664</u>	<u>(24,183)</u>	<u>(22,183)</u>	<u>2,000</u>
Excess (deficiency) of revenues and other sources over (under) expenditures, encum- brances and other uses	<u>(27,406)</u>	<u>7,791</u>	<u>35,197</u>	<u>(9,024)</u>	<u>(7,283)</u>	<u>1,741</u>
Fund balances at beginning of year	125,511	125,511	—	89,869	89,869	—
Amounts budgeted in prior years	—	559	559	—	2,028	2,028
Fund balances at end of year ...	<u>\$ 98,105</u>	<u>\$ 133,861</u>	<u>\$35,756</u>	<u>\$ 80,845</u>	<u>\$ 84,614</u>	<u>\$ 3,769</u>

See accompanying notes to combined financial statements.

CITY AND COUNTY OF SAN FRANCISCO
Combined Statement of Revenues, Expenses and Changes
in Retained Earnings/Fund Equity—
All Proprietary Fund Types and Similar Trust Funds

Year ended June 30, 1990

(In Thousands)

	Proprietary Fund Types		Fiduciary Fund Types		Total (Memoran- dum Only)
	Enterprise (note 9)	Internal Service	Pension Trust	Non- expendable Trust	
Operating revenues:					
Charges for services	\$ 521,176	\$28,112	\$ —	\$ —	\$ 549,288
Rent and concessions	112,478	—	—	—	112,478
Contributions	—	—	283,296	104,082	387,378
Income from investments	—	—	322,012	1,516	323,528
Other	7,008	—	—	—	7,008
Total operating revenues	<u>640,662</u>	<u>28,112</u>	<u>605,308</u>	<u>105,598</u>	<u>1,379,680</u>
Operating expenses:					
Personal services	508,801	14,391	—	—	523,192
Contractual services	93,057	5,855	—	63,104	162,016
Light, heat and power	35,928	—	—	—	35,928
Materials and supplies	60,083	4,074	—	—	64,157
Depreciation	91,243	1,174	—	—	92,417
General and administrative	—	—	3,865	18	3,883
Services provided by other departments	63,163	344	—	—	63,507
Benefit payments	—	—	198,543	32,641	231,184
Other	34,773	—	—	—	34,773
Total operating expenses	<u>887,048</u>	<u>25,838</u>	<u>202,408</u>	<u>95,763</u>	<u>1,211,057</u>
Operating income (loss)	<u>(246,386)</u>	<u>2,274</u>	<u>402,900</u>	<u>9,835</u>	<u>168,623</u>
Non-operating revenues (expenses):					
Operating grants:					
Federal	7,974	—	—	—	7,974
State	72,642	—	—	—	72,642
Interest income	68,789	—	—	—	68,789
Interest expense	(84,311)	—	—	—	(84,311)
Other, net	343	(777)	—	—	(434)
	<u>65,437</u>	<u>(777)</u>	<u>—</u>	<u>—</u>	<u>64,660</u>
Income (loss) before operating transfers	<u>(180,949)</u>	<u>1,497</u>	<u>402,900</u>	<u>9,835</u>	<u>233,283</u>
Operating transfers in	200,258	—	—	—	200,258
Operating transfers out	(32,160)	—	—	—	(32,160)
	<u>168,098</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>168,098</u>
Net income (loss)	<u>(12,851)</u>	<u>1,497</u>	<u>402,900</u>	<u>9,835</u>	<u>401,381</u>
Depreciation on fixed assets purchased with externally restricted sources that reduces contributed capital	30,533	600	—	—	31,133
Retained earnings (deficit) /fund equity at beginning of year	1,140,686	2,047	3,547,873	7,166	4,697,772
Retained earnings/fund equity at end of year	<u>\$1,158,368</u>	<u>\$ 4,144</u>	<u>\$3,950,773</u>	<u>\$17,001</u>	<u>\$5,130,286</u>

See accompanying notes to combined financial statements.

CITY AND COUNTY OF SAN FRANCISCO
Combined Statement of Changes in Financial Position—
All Proprietary Fund Types and Similar Trust Funds

Year ended June 30, 1990

(In Thousands)

	Proprietary Fund Types		Fiduciary Fund Types		Total (Memorandum Only)
	Enterprise (note 9)	Internal Service	Pension Trust	Non- expendable Trust	
Sources of working capital:					
Operations:					
Net income (loss)	\$ (12,851)	\$ 1,497	\$ 402,900	\$ 9,835	\$ 401,381
Items not requiring (providing) working capital:					
Depreciation	91,243	1,174	—	—	92,417
Equity earnings	—	—	(6,806)	—	(6,806)
(Gain) loss on sale of fixed and other assets	1,222	777	(75,356)	—	(73,357)
Working capital provided by operations	79,614	3,448	320,738	9,835	413,635
Capital grants	63,369	—	—	—	63,369
Net decrease in restricted assets	40,538	—	—	—	40,538
Sale of investments	—	—	4,744,424	—	4,744,424
Proceeds from issuance of bonds (net of discount)	91,082	—	—	—	91,082
Proceeds from sale of fixed assets	370	—	—	—	370
Net increase in liabilities payable from restricted assets	9,300	—	—	—	9,300
Other	11,233	—	21,243	—	32,476
Total sources	<u>295,506</u>	<u>3,448</u>	<u>5,086,405</u>	<u>9,835</u>	<u>5,395,194</u>
Uses of working capital:					
Acquisition of fixed assets	190,193	—	—	—	190,193
Net increase in restricted assets	82,020	—	—	—	82,020
Purchase of investments	—	—	5,098,175	—	5,098,175
Retirement of general obligation bonds	10,235	—	—	—	10,235
Retirement of revenue bonds	18,120	—	—	—	18,120
Net decrease in other liabilities payable from restricted assets	1,479	—	—	—	1,479
Other	4,982	1,668	—	—	6,650
Total uses	<u>307,029</u>	<u>1,668</u>	<u>5,098,175</u>	<u>—</u>	<u>5,406,872</u>
Net increase (decrease) in working capital	<u>\$ (11,523)</u>	<u>\$ 1,780</u>	<u>\$ (11,770)</u>	<u>\$ 9,835</u>	<u>\$ (11,678)</u>
Elements of increase (decrease) in working capital:					
Deposits and investments	\$ (32,505)	\$ 93	\$ 1,187	\$ 8,611	\$ (22,614)
Receivables, net	16,305	—	4,662	673	21,640
Interfund receivables	9,978	1,080	1,121	2,937	15,116
Inventories	2,133	—	—	—	2,133
Deferred charges and other assets	1,214	—	—	—	1,214
Accounts payable	(8,119)	947	(1,148)	—	(8,320)
Accrued payroll	(5,880)	(83)	(64)	—	(6,027)
Interfund payables	(9,103)	(257)	(259)	401	(9,218)
Bond interest payable	(1,211)	—	—	—	(1,211)
Deferred credits and other liabilities	12,337	—	(17,269)	(2,787)	(7,719)
Short-term loan	3,328	—	—	—	3,328
Net increase (decrease) in working capital	<u>\$ (11,523)</u>	<u>\$ 1,780</u>	<u>\$ (11,770)</u>	<u>\$ 9,835</u>	<u>\$ (11,678)</u>

See accompanying notes to combined financial statements.

CITY AND COUNTY OF SAN FRANCISCO
NOTES TO COMBINED FINANCIAL STATEMENTS
June 30, 1990

(1) Definition of Reporting Entity

San Francisco is a city and county chartered by the State of California, and as such can exercise the powers of both a city and a county under state law.

The City and County of San Francisco (the City) has defined its reporting entity in accordance with the Governmental Accounting Standards Board's (GASB) *Codification of Governmental Accounting and Financial Reporting Standards*, Section 2100, which sets forth the scope of public service and the exercise of oversight responsibility of a government's elected officials as the basic criteria for inclusion of a governmental unit in a governmental reporting entity, i.e. the City's ability to significantly influence operations, select the governing authority, designate management, and participate in fiscal management. Sections 2100 and 2600 set forth criteria to be used in determining how individual governmental unit data should be presented by the component units of the reporting entity.

The combined financial statements present financial information on activities of the City for which the Mayor and Board of Supervisors have oversight responsibility, and include: the operations of the Office of the Controller; the enterprise operations of the San Francisco International Airport, the San Francisco General Hospital Medical Center, the Laguna Honda Hospital, the Port of San Francisco, the Clean Water Program, the Water Department/Hetch Hetchy Project, and the Municipal Railway and Municipal Railway Improvement Corporation; the operations of nine nonprofit corporations associated with the City; the operations of the San Francisco County Transportation Authority; the operations of the San Francisco Redevelopment Agency and its Financing Authority; and the operations of the Employees' Retirement System and Health Service System. Long-term leases between the oversight unit and component units for facilities financed by lease revenue bonds are eliminated in the combined financial statements.

During fiscal year (FY) 1989-90 the San Francisco County Transportation Authority was formed to account for and allocate to City operations the proceeds of a one-half of one percent sales tax approved by the voters to expand the City's transportation system, including both transit and streets and roads. This additional sales tax became effective January 1, 1990. The Board of Supervisors serves as the Authority's Board of Directors.

The City's combined financial statements, except for certain cash held by the City as an agent, do not reflect operations of the San Francisco Housing Authority, Private Industry Council of San Francisco, San Francisco Unified School District and San Francisco Community College District. The Housing Authority is not included as a component unit because it is not within the oversight responsibility of the City: it is not included under the City Charter, it is not subject to the financial controls of the Controller or the budgetary controls of the Mayor and the Board of Supervisors except in a review capacity, and there is minimal financial interdependency. The Private Industry Council of San Francisco is not included as a component unit because it is not within the oversight responsibility of the City: it is not included under the City Charter, it is not subject to the financial controls of the Controller or the budgetary controls of the Mayor and the Board of Supervisors, and there is minimal financial interdependency. The School and the Community College Districts are not included because they have their own elected governing boards and are independent of the City as to fiscal accountability and financial affairs.

(2) Summary of Significant Accounting Policies

The more significant accounting policies of the City are described in the following sections.

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NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

(a) *Basis of Presentation—Fund Accounting*

The accounts of the City are organized on the basis of funds or account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. The various funds are summarized by type in the financial statements. Fund types and account groups used by the City are described in the following sections.

Governmental Fund Types

General Fund—The General Fund, the general operating fund of the City, accounts for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds—Special Revenue Funds account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

Debt Service Funds—Debt Service Funds account for the accumulation of resources for, and the payment of, long-term obligation principal, interest and related costs.

Capital Projects Funds—Capital Projects Funds account for financial resources used for the acquisition or construction of major capital facilities (other than those financed in the proprietary fund types).

Proprietary Fund Types

Enterprise Funds—Enterprise Funds account for operations (a) that are financed and operated in a manner similar to private business enterprises—where the intent of the Board of Supervisors is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or (b) where the Board of Supervisors has decided that periodic determination of revenues earned, expenses incurred, and net income or loss is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Internal Service Funds—Internal Service Funds account for the financing of goods or services provided by one department or agency to other departments or agencies of the City or other governmental units on a cost reimbursement basis.

Fiduciary Fund Types

Trust and Agency Funds—Trust and Agency Funds account for assets held by the City as a trustee or as an agent for individuals, private organizations, other governmental units and/or other funds. These include the pension trust fund (Employees' Retirement System), nonexpendable trust fund (Health Service System), expendable trust funds and agency funds.

Account Groups

General Fixed Assets Account Group—The General Fixed Assets Account Group accounts for fixed assets of the City, other than those accounted for in the proprietary fund types.

General Long-Term Obligations Account Group—The General Long-Term Obligations Account Group accounts for all long-term obligations of the City, including claim liabilities, workers' compensation liabilities and vested vacation and sick leave pay, except those accounted for in the proprietary fund types.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS— (Continued)

(b) *Basis of Accounting*

The modified accrual basis of accounting is followed in the governmental fund types and expendable trust and agency funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures, other than interest and principal on long-term obligations that are recorded when paid, are recorded when they are expected to be liquidated with expendable available resources.

Intergovernmental revenues (primarily grants and subventions), which are received as reimbursement for specific purposes or projects, are recognized based upon the expenditures recorded. Intergovernmental revenues which are virtually unrestricted as to purpose of expenditure and revocable only for failure to meet prescribed compliance requirements are reflected as revenues at the time of receipt or earlier if they meet the availability criterion.

The City collects an annual taxpayer-assessed business tax based either on gross receipts or on payroll for each calendar year. The City bills taxpayers each June for one-half of the previous year's actual taxes. This amount is due on July 1 and delinquent after July 31. The remaining amount is due January 1 and is delinquent after February 28. The City accrues as revenues the amount of the June billing expected to be collected within 60 days of the end of its fiscal year, which is a significant portion of the amount billed.

Licenses, fines and penalties and other revenues are recorded as revenues when received in cash because they are generally not measurable until actually received.

Investment earnings are accrued since they are measurable and available.

See note 5 for the City's property tax accrual policy.

The accrual basis of accounting is utilized in the proprietary fund types and pension trust and nonexpendable trust funds. Water and power services furnished to customers are recognized as revenue when earned.

(c) *Measurement Focus*

All governmental fund types are accounted for on a spending or funds flow measurement focus. Only current assets and current liabilities are generally included on their balance sheets. Resources not available to finance expenditures or commitments of the current period are recognized as deferred revenue. Claim liabilities, workers' compensation liabilities and vested vacation and sick leave pay which are estimated to be payable within the next year, are recorded in the governmental fund types; remaining amounts are shown in the General Long-Term Obligations Account Group.

All proprietary fund types are accounted for on a capital maintenance measurement focus based upon net income, financial position and changes in financial position in a manner similar to a commercial enterprise.

Operations of the pension trust and nonexpendable trust funds are accounted for in the same manner as the proprietary fund types. Operations of expendable trust funds are accounted for in essentially the same manner as governmental funds. Agency funds are custodial in nature and do not involve measurement of results of operations.

(d) *Budgetary Data*

The budget of the City is a detailed operating plan which identifies estimated costs and results in relation to estimated revenues. The budget includes (1) the programs, projects, services, and

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NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

activities to be provided during the fiscal year, (2) the estimated revenue available to finance the operating plan, and (3) the estimated spending requirements of the operating plan. The budget represents a process through which policy decisions are made, implemented, and controlled. The City Charter prohibits expending funds for which there is no legal appropriation.

The following procedures establish the budgetary data reflected in the financial statements:

Original Budget

- (1) The Mayor conducts hearings to obtain public comment on the proposed annual budget.
- (2) Prior to June 1, the Mayor submits the proposed budget to the Board of Supervisors. The Board then adopts an interim budget.
- (3) The Board of Supervisors conducts hearings to obtain public comment on the budget.
- (4) Prior to September 15, the Board of Supervisors finalizes the annual budget through passage of the Annual Appropriation Ordinance, the legal authority for enactment of the budget.

Revised Budget

The revised budgetary data presented in the financial statements reflects the following changes to the original budget:

- (1) Certain annual appropriations are budgeted on a project or program basis. If such projects or programs are not completed at the end of the fiscal year, unexpended appropriations are carried forward to the following year. In certain circumstances, other programs and regular annual appropriations may be carried forward after approval by the Controller, Mayor and Board of Supervisors. Annually appropriated funds, not authorized to be carried forward, lapse at the end of the fiscal year. Appropriations carried forward from the prior year are included in the revised budgetary data. Appropriations carried forward to the subsequent year are excluded. Historically, appropriations carried forward have ultimately resulted in expenditures.
- (2) Appropriations may be adjusted during the year with the approval of the Mayor and Board of Supervisors. Additionally, the Controller is authorized to make transfers of excess appropriations within a department. Such adjustments are reflected in the revised budgetary data.

The Annual Appropriation Ordinance adopts the budget at the character level of expenditure within departments. As described above, the Controller is authorized to make transfers of excess appropriations within departments. Accordingly, the lowest level of budgetary control by the Board of Supervisors is the department level.

Budgetary data, as revised, are presented in the financial statements for the General Fund and certain Special Revenue Funds. Federal and state grant Special Revenue Funds and certain projects are budgeted by the Mayor and Board of Supervisors over the term of the individual grant or project. Capital Projects Funds are also budgeted over the life of the project. Since these funds are not budgeted on an annual basis, they are not included in the budgetary data.

(e) Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for expenditure of funds are recorded to reserve that portion of the applicable appropriation, is employed in the governmental fund types and expendable trust funds as a significant aspect of budgetary control. Encumbrances are reported as reservations of fund balances because they do not constitute expenditures or liabilities. Encumbrances are combined with expenditures for budgetary comparison purposes (note 3).

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

(f) *Deposits and Investments*

The City follows the practice of pooling deposits and investments of all funds with the City Treasurer except for restricted funds generally held by outside agents on behalf of enterprise funds, investments of the Employees' Retirement System held by trustees, deposits and investments of the Redevelopment Agency and certain nonprofit corporation funds, and imprest funds (note 4). The method of allocating interest earned on pooled deposits and investments among governmental fund types provides that, unless otherwise restricted, all interest is credited to the General Fund.

Deposits and investments are stated at cost or amortized cost, except for assets of the deferred compensation plans which are presented at market value.

The Treasurer holds deposits of the School District and Community College District as part of the City's pooled funds. The deposits held for these districts are included in agency funds.

(g) *Inventory*

Inventory is generally valued at average cost. Inventory in the General Fund and Special Revenue Funds consists of expendable supplies held for consumption. The purchase method is used for these governmental funds with cost recorded as an expenditure at the time an individual inventory item is purchased. A reserve equal to the amount of inventory indicates that a portion of the fund balance is not available for future appropriation.

(h) *Interfund Transfers*

Interfund transfers are generally recorded as operating transfers in (out) except for the following types of transactions:

- (1) Charges for services, which are recorded as revenues of the performing fund and expenditures of the requesting fund. Unbilled costs are recognized as Receivables—Charges for Services at the end of the fiscal year.
- (2) Reimbursements for services performed, which are recorded as a reduction of expenditure in the performing fund, and an expenditure of the requesting fund.
- (3) Residual equity transfers.

(i) *General Fixed Assets*

General fixed assets are those acquired for general governmental purposes. Such assets currently purchased or constructed are recorded as expenditures in the governmental fund types and capitalized at cost in the General Fixed Assets Account Group. Contributed fixed assets are recorded at fair market value at the time received. Certain assets for which actual costs are not available have been valued on the basis of a professional valuation that determined their approximate historical cost.

The City's infrastructure, which consists of certain non-enterprise improvements that have not been capitalized, is not included in the General Fixed Assets Account Group. Examples are roads, curbs and gutters, streets and sidewalks and lighting systems. Such assets are normally immovable and of value only to the City.

No depreciation is provided on general fixed assets.

(j) *Fixed Assets—Proprietary Fund Types*

Fixed assets of the proprietary fund types are stated at cost or estimated historical cost. Depreciation has been provided over estimated useful lives using the straight-line method. Deprecia-

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

tion related to certain fixed assets purchased with externally restricted sources is closed to the contributed capital accounts on an annual basis.

The net amount of interest expense on borrowing for capital projects and interest earnings on unspent proceeds is capitalized during the construction period on projects of the San Francisco Airport, the Port of San Francisco, the Water Department/Hetch Hetchy Project and the Clean Water Program. Net interest capitalized during the fiscal year decreased construction in progress and reduced interest income by approximately \$7.3 million.

(k) *Fund Equity*

Reservations of fund balances of the governmental fund types and the fiduciary fund type indicate that portion of fund equity which is not appropriable for expenditure or is legally segregated for a specific future use. The amount reserved by the Charter for emergencies may be appropriated only by a vote of three-fourths of the Board of Supervisors. The Charter also provides for a cash requirements reserve to meet potential short-term working capital needs.

Reservations of fund balance for inventory type assets not available for appropriation include reservations made for inventory and other assets not expected to be available for appropriation in the following year. Changes in inventory and similar assets are reported as changes in fund equity.

Fund balance amounts reserved for subsequent years' budgets have been set aside by Board of Supervisors' ordinance, but actual expenditure requires a subsequent specific appropriation.

Capital grants from external sources are recognized as contributed capital in proprietary funds at the time reimbursable expenditures related to grants are incurred.

Reservation of retained earnings of internal service funds recognizes contractual and other commitments which are not properly accruable, but represent future obligations of retained earnings.

(l) *Accrued Vacation and Sick Leave Pay*

Vacation pay, which may be accumulated up to ten weeks depending on an employee's length of service, is payable upon termination.

Sick leave may be accumulated up to six months. Unused amounts, accumulated prior to December 6, 1978, are vested and are payable upon termination of employment by retirement, disability caused by industrial accident or death. Sick leave earned subsequent to that date is nonvesting and, hence, is not a liability.

Vested vacation and sick leave pay are accrued for all fund types. Amounts expected to be payable within the next year, which are estimated based on historical information, are accrued in the governmental fund types and the remainder is recorded in the General Long-Term Obligations Account Group.

(m) *Redevelopment Agency Property*

The Redevelopment Agency charges capital outlay for the full cost of developing and administering its projects. Property held for resale and/or lease, which is considered to be inventory, is recorded as an asset in the Capital Project Funds at the lower of cost or estimated conveyance value. A reserve equal to the amount of inventory indicates that a portion of fund balance is not available for future appropriation. Estimated conveyance value is management's estimate of net realizable value of a property based on current intended use.

Property which has been or is intended to be leased on a long-term basis is recorded in the General Fixed Assets Account Group. South Beach Harbor fixed assets are included in an enterprise fund.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

(n) *Loans Receivable*

Special Revenue Fund expenditures relating to long-term loans arising from loan subsidy programs are charged to operations upon funding. Loans receivable are recorded with an offset to a deferred credit account.

(o) *School General Obligation Bonds*

At the request of the Board of Education of the San Francisco Unified School District, the Board of Supervisors obtained voter approval for the issuance of \$90 million in City general obligation bonds for improvements to various public school facilities within the City and the School District, whose boundaries are coterminous. While the Board of Supervisors exercises limited oversight regarding the expenditure of bond proceeds, the City Attorney has opined that the Board of Education has the basic authority and responsibility over project expenditures. Accordingly, capital outlay expenditures are reported in the combined financial statements of the School District, and the City reports monies and transactions in an agency fund for the School District and the debt in the General Long-Term Obligations Account Group. Debt service remains the responsibility of the City.

(p) *Total (Memorandum Only) Columns on Combined Statements*

Total columns on the combined statements are for overview information only. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles, nor are such data comparable to a consolidation. Eliminations of interfund activity have been made within fund types but not between fund types.

(3) *Budgetary Results Reconciled to Results in Accordance with Generally Accepted Accounting Principles*

The budgetary process is based upon accounting for certain transactions on a basis other than generally accepted accounting principles (GAAP basis). The results of operations are presented in the budget-to-actual comparison statement in accordance with the budgetary process (Budget basis) to provide a meaningful comparison with the budget.

The major differences between the Budget basis "actual" and GAAP basis are as follows:

(a) *Basis differences*

Certain accruals (claims and judgments, accrued vacation and sick leave pay and workers' compensation liability) are excluded from the Budget basis financial statement because such amounts are budgeted on a cash basis.

Inventory type assets not available for appropriation (such as supplies inventory) are excluded from the Budget basis fund balance because such amounts are considered to be expended.

(b) *Timing differences*

Encumbrances are recognized as the equivalent of expenditures in the budgetary financial statement, while encumbered amounts are not recognized on the GAAP basis until recorded as actual expenditures.

Revenues budgeted in prior years, which did not become susceptible to accrual until the current year, and adjustments to prior year encumbrances are recognized on the Budget basis as adjustments to beginning fund balance. Such revenues are recognized currently on the GAAP basis. Adjustments to prior year encumbrances do not affect the GAAP basis.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

(c) Entity difference

Nonannually budgeted funds (such as certain grant funds) are excluded from the Budget basis financial statement because a comparison of such budgetary amounts to annual revenues and expenditures is not meaningful.

The results of "actual" operations on a Budget basis are reconciled to the results of operations on a GAAP basis as follows (in thousands):

	General Fund	Special Revenue Funds
Excess (deficiency) of revenues and other sources over (under) expenditures, encumbrances and other uses—Budget basis	\$ 7,791	\$ (7,283)
Accruals excluded from Budget basis	5,616	—
Increase in current year's encumbrances	7,204	97
Expenditures which were encumbered in prior years ..	(12,972)	(2,435)
Amounts budgeted in prior years	559	2,028
Nonannually budgeted funds, net	—	12,184
Excess of revenues and other sources over expenditures and other uses—GAAP basis	<u>\$ 8,198</u>	<u>\$ 4,591</u>

The fund balances on a Budget basis are reconciled to the fund balances on a GAAP basis as follows (in thousands):

	General Fund	Special Revenue Funds
Fund balance, June 30, 1990—Budget basis	\$133,861	\$ 84,614
Accruals excluded from Budget basis	(60,334)	—
Inventory type assets not available for appropriation ..	1,485	845
Encumbrances, June 30, 1990	15,623	6,713
Fund balances of nonannually budgeted funds	—	31,609
Fund balance, June 30, 1990—GAAP basis	<u>\$ 90,635</u>	<u>\$123,781</u>

General Fund Budget basis fund balance at June 30, 1990 is composed of the following (in thousands):

Reserved by charter for cash requirements	\$ 43,574
Reserved by charter for emergencies	4,862
Reserved for appropriation carryforward	11,286
Reserved for subsequent years' budgets	18,650
Not available for appropriation	78,372
Controller set aside for contingencies and prior year expenditures ..	3,721
Available for appropriation	51,768
Unreserved amounts	55,489
Fund balance, June 30, 1990—Budget basis	<u>\$133,861</u>

Amounts reserved for subsequent years' budgets are amounts which have been legally set aside pursuant to ordinance passed by the Board, but which require appropriation for specific items before they

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NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

may be expended. The primary component of fund balance reserved for subsequent years' budgets at June 30, 1990 was \$10.9 million reserved for litigation, of which \$5.9 million has been established as a liability on the GAAP basis.

(4) Deposits and Investments

The City's pooled deposits and investments are invested pursuant to investment policy guidelines established by the City Treasurer. The objectives of the policy are, in order of priority, preservation of capital, liquidity, and yield. The policy addresses the soundness of financial institutions in which the City will deposit funds, types of investment instruments as permitted by the California Government Code, and the percentage of the portfolio which may be invested in certain instruments with longer terms to maturity. Pooled investments permitted by the City's investment policy are obligations of the U.S. government, commercial paper rated no lower than A-1 by Standard and Poor's Corporation or P-1 by Moody's Investors Service Inc., bankers' acceptances, negotiable certificates of deposit, and repurchase or reverse repurchase agreements. Pooled investments during the year did not include repurchase or reverse repurchase agreements. The Redevelopment Agency invests in repurchase agreements, but not in reverse repurchase agreements.

Other deposits and investments maintained outside the City Treasury are invested pursuant to governing bond covenants or California Government Code provisions. A substantial portion of these investments are assets of the Employees' Retirement System. The Charter authorizes the Employees' Retirement System to invest in corporate equity and debt securities and to make other investments as approved by the Retirement Board. In addition, City ordinances, with limited exceptions, prohibit deposits and investments with financial institutions having specified relations with either the government of South Africa or certain private entities doing business with or in South Africa.

Total City deposits and investments are as follows (in thousands):

Deposits and investments	\$ 949,892
Investments with trustee	4,212,138
Restricted assets:	
Deposits and investments	498,975
Investments with trustee	142,784
	<u>\$5,803,789</u>

Cash and Deposits

The City had cash and deposits at June 30, 1990 as follows (in thousands):

<u>Cash and Deposits</u>	<u>Carrying Amount</u>	<u>Bank Balance</u>
Cash on hand	\$ 2,979	\$ —
Federally insured and collateralized deposits*	(4,377)	30,314
	<u>\$ (1,398)</u>	<u>\$30,314</u>

* Under the City's cash management policy, as warrants are presented for payment, investments are converted to cash.

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NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

The California Government Code requires California banks and savings and loan associations to secure the City's deposits not covered by federal deposit insurance by pledging government securities as collateral. The market value of pledged securities must equal at least 110% of the City's deposits. The collateral must be held at the pledging bank's trust department or another bank, acting as the pledging bank's agent, in the City's name.

Investments

Investments of the City are summarized below. The investments that are represented by specific identifiable investment securities are classified as to credit risk by three categories as follows: Category 1 includes investments that are insured or registered or securities held by the City or its agent in the City's name; Category 2 includes uninsured and unregistered investments, with the securities held by the counterparty's trust department or agent in the City's name; Category 3 includes uninsured and unregistered investments, with the securities held by the counterparty, or by its trust department or agent but not in the City's name.

At June 30, 1990, investments included the following (in thousands):

Type of Investment	Category			Carrying Amount	Market Value
	1	2	3		
Pooled investments in City Treasury:					
Commercial paper	\$ 303,605	\$ —	\$ —	\$ 303,605	\$ 304,517
U.S. government securities	959,833	—	—	959,833	982,608
Bankers' acceptances	46,543	—	88,158	134,701	135,283
	<u>1,309,981</u>	<u>—</u>	<u>88,158</u>	<u>1,398,139</u>	<u>1,422,408</u>
Employees' Retirement System:					
Commercial paper	—	—	49,256	49,256	49,256
U.S. government securities	1,014,457	—	130,194	1,144,651	1,154,908
Bonds	882,162	—	91,169	973,331	964,678
Common stock	1,074,431	—	1,098	1,075,529	1,317,149
Real estate limited partnerships	—	186,348	—	186,348	209,744
Other	—	11,088	—	11,088	11,824
	<u>2,971,050</u>	<u>197,436</u>	<u>271,717</u>	<u>3,440,203</u>	<u>3,707,559</u>
Other funds:					
Commercial paper	—	8,335	2,814	11,149	11,220
U.S. government securities	69,784	116,072	1,705	187,561	194,701
Repurchase agreements	—	6,227	—	6,227	6,227
Bankers' acceptances	—	18,619	—	18,619	18,754
Other	24,666	70,920	205	95,791	95,321
	<u>94,450</u>	<u>220,173</u>	<u>4,724</u>	<u>319,347</u>	<u>326,223</u>
Mutual funds				<u>647,498</u>	<u>647,498</u>
Total investments	<u>\$4,375,481</u>	<u>\$417,609</u>	<u>\$364,599</u>	<u>\$5,805,187</u>	<u>\$6,103,688</u>

Pooled investments in the City Treasury which are identified as Category 3 above represent bankers' acceptances held in the safekeeping department of a major financial institution in the City's name.

Market value fluctuates with interest rates, and increasing rates could cause market value to decline below carrying value. City management believes the liquidity in the portfolio is more than adequate to

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

meet cash flow requirements and to preclude the City from having to sell investments at below carrying value for that purpose.

The City Treasury's pooled investments have a market value of \$24.3 million (1.7%) above carrying value at June 30, 1990. The earned yield, which includes net gains on investments sold, on all investments held by the City Treasurer for FY 1989-90 was 8.37%.

(5) Property Taxes

The City is responsible for assessing, collecting and distributing property taxes in accordance with enabling state law. The property tax becomes a lien on all taxable property located in the City on the first day of March preceding the fiscal year for which taxes are levied. Property taxes levied are recorded initially as deferred revenue and receivables in the fiscal year of levy. Property taxes expected to be collected within 60 days of the end of the fiscal year are recorded as revenue. Secured property taxes are due in two equal installments on November 1 and February 1 and are delinquent after December 10 and April 10, respectively. Additionally, supplemental property taxes are levied on a pro rata basis when changes in assessed valuation occur during the year due to sales transactions or upon completion of construction.

Since the passage of California's Proposition 13, beginning with fiscal year 1978-79, general property taxes are based either on a flat 1% rate applied to the 1975-76 full value of the property or on 1% of the sales price of the property on sales transactions or construction value added after the 1975-76 valuation. Taxable values on properties (exclusive of increases related to sales and construction) can rise at a maximum of 2% per year. The increase for 1989-90 was 2%.

The Proposition 13 limitations on general property taxes do not apply to taxes levied to pay the interest and redemption charges on any indebtedness approved by the voters prior to June 6, 1978 (the date of passage of Proposition 13). Proposition 13 was amended in 1986 to allow property taxes in excess of the 1% limit to fund general obligation bond debt service when such bonds are approved by two-thirds of the local voters. These taxes and related subventions amounted to approximately \$25.5 million for the year ended June 30, 1990, including interest and redemption charges for general obligation bonds of the Water Department/Hetch Hetchy Project of \$2.4 million. A like amount was transferred from the Water Department/Hetch Hetchy Project to the General Fund, as authorized by the voters in 1979.

Net taxable valuation for the year ended June 30, 1990 was approximately \$44.9 billion, an increase of 8.8% over the previous year. The tax rate was \$1.09 per \$100 of valuation (\$0.90 for general government; \$0.14 for schools, Bay Area Rapid Transit District (note 7), and Bay Area Air Quality Management District; and \$0.05 for the City's bond interest and redemption charges). Delinquencies for the year amounted to 3.9%.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS— (Continued)

(6) Fixed Assets

Governmental Funds

A summary of changes in general fixed assets acquired through governmental funds follows (in thousands):

	Balance July 1, 1989	Additions	Transfers In / (Out)	Retirements	Balance June 30, 1990
Land	\$ 59,240	\$ 5,300	\$ —	\$ —	\$ 64,540
Facilities and improvements	563,335	2,932	14,509	—	580,776
Machinery and equipment	124,064	14,341	—	118	138,287
Construction in progress	92,275	112,546	(14,509)	—	190,312
Property held for lease	29,950	—	—	—	29,950
	<u>\$868,864</u>	<u>\$135,119</u>	<u>\$ —</u>	<u>\$118</u>	<u>\$1,003,865</u>

Fixed assets with original acquisition cost of \$12.0 million are being acquired through capitalized leases. The remaining principal due on the leases is \$8.7 million (notes 7 and 12d).

Proprietary Funds

A summary of proprietary fund type fixed assets at June 30, 1990 follows (in thousands):

	Enterprise	Internal Service
Land	\$ 173,576	\$ —
Facilities and improvements	2,999,875	920
Machinery and equipment	399,598	17,539
	<u>3,573,049</u>	<u>18,459</u>
Less accumulated depreciation	1,060,200	15,440
	<u>2,512,849</u>	<u>3,019</u>
Construction in progress	181,309	—
	<u>\$2,694,158</u>	<u>\$ 3,019</u>

Useful lives of machinery and equipment are generally estimated to be 3 to 30 years, except for certain Laguna Honda Hospital equipment which have an estimated useful life of up to 40 years. Facilities and improvements are generally estimated to have useful lives from 5 to 50 years. Facilities and improvements include utility type assets of the Water Department / Hetch Hetchy Project, the Clean Water Program, the Muni Railway and the Port of San Francisco, totaling \$936.4 million with lives from 50 to 100 years and \$3.8 million with lives from 101 to 160 years. These long-lived assets include reservoirs, aqueducts, Muni Railway's cable car barn facilities and pier structures.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

(7) Long-Term Obligations

The following is a summary of changes in General Long-Term Obligations for the year ended June 30, 1990 (in thousands):

	Balance July 1, 1989	Additional Obligations	Transfers/ Interest Accretion	Current Maturities, Retirements, and Net Decreases	Balance June 30, 1990
Bonds and notes payable.....	\$426,576	\$66,699	\$12,360	\$24,250	\$481,385
Long-term loans	408	—	—	14	394
Capital leases payable (note 12)	10,097	—	—	1,387	8,710
Estimated claims payable (note 12)	18,824	—	—	2,152	16,672
Workers' compensation liability (note 12) ..	57,122	4,138	—	—	61,260
Accrued vacation and sick leave pay.....	46,860	737	—	—	47,597
	<u>\$559,887</u>	<u>\$71,574</u>	<u>\$12,360</u>	<u>\$27,803</u>	<u>\$616,018</u>

On November 7, 1989 the voters approved a \$59.7 million general obligation bond issue for public safety improvements to City-owned buildings, including earthquake safety, asbestos removal and access for the disabled; \$20.5 million of the approved bonds were sold on May 1, 1990. On June 5, 1990 the voters approved an additional \$332.4 million general obligation bond issue for acquisition, construction and reconstruction of City buildings, including earthquake repairs and hazards reduction, asbestos abatement and access for the disabled; none of these have been sold. On May 1, 1990 \$7.0 million of the previously approved \$109.5 million library bonds were sold. Remaining general obligation bonds authorized but unissued at year end were \$578.3 million.

During FY 1989-90 the Redevelopment Financing Authority sold \$39.2 million in tax allocation bonds (note 10).

During FY 1989-90 \$3.0 million issued and \$23.0 million authorized general obligation bonds for construction of a mental health facility were transferred to the General Long-Term Obligation Account Group from General Hospital Medical Center (note 9(f)). Additionally, bonds payable increased by \$9.4 million due to interest accretion on Redevelopment Agency capital appreciation and term gain bonds.

The annual requirements to amortize all bonds, notes and long-term loans outstanding as of June 30, 1990 are as follows (in thousands):

Year Ending June 30	Enterprise	General Long-Term Obligations	Internal Service	Total
1991	\$ 196,643	\$ 60,212	\$ 51	\$ 256,906
1992	111,058	42,657	42	153,757
1993	112,454	42,246	43	154,743
1994	111,188	52,067	43	163,298
1995	108,084	46,198	36	154,318
1996-2000	520,013	221,434	—	741,447
2001-2005	463,838	197,722	—	661,560
Thereafter	812,056	392,708	—	1,204,764
	<u>2,435,334</u>	<u>1,055,244</u>	<u>215</u>	<u>3,490,793</u>
Less amounts representing interest....	1,259,685	564,755	46	1,824,486
Liability at June 30, 1990	<u>\$1,175,649</u>	<u>\$490,489</u>	<u>\$169</u>	<u>\$1,666,307</u>

It is not practicable to determine the specific year for payment of claims payable, workers' compensation liability or accrued vacation and sick leave pay.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

General long-term obligations and enterprise obligations at June 30, 1990 are comprised of the following components (in thousands):

GENERAL LONG-TERM OBLIGATIONS

	Final Maturity Date	Remaining Interest Rates	Amount
FINANCING GENERAL OBLIGATION BONDS (a):			
Schools	2009	5.0 to 9.5%	\$ 42,690
Fire protection	2008	5.0 to 8.0%	33,530
Police facilities	2004	5.9 to 8.6%	10,535
Library facilities	2010	5.75 to 12.0%	18,520
Mental health facilities	2003	5.9 to 8.6%	2,873
Public safety improvements	2010	6.45 to 12.0%	20,500
Parks and playgrounds	2004	5.0 to 8.6%	15,632
Boulevards and roads	2004	4.0 to 11.0%	28,130
NON-PROFIT CORPORATION AND GARAGE LEASE REVENUE BONDS:			
San Francisco Stadium, Inc. (Candlestick Park) (b)	1999	4.75 to 5.25%	13,200
San Francisco Social Services Corporation (c)	2003	6.25 to 7.75%	7,875
Moscone Convention Center Garage (c)	2009	5.9 to 7.5%	9,905
SAN FRANCISCO REDEVELOPMENT AGENCY AND FINANCING AUTHORITY:			
Lease Revenue Bonds:			
Moscone Convention Center (d)	2018	6.1 to 8.5%	220,957
Hunters Point South School (c)	1993	4.0 to 4.9%	755
Yerba Buena Center Liquidity Facility Revenue Bonds (e)	1990	Variable (maximum 12%)	16,785
Financing Authority Bonds:			
Tax allocation revenue bonds (f)	2019	6.6 to 9.0%	39,498
OTHER LONG-TERM OBLIGATIONS:			
Loans—State of California—Marina development (g)	2008	4.5%	394
Capital leases payable (c)	1997	7.12 to 9.72%	8,710
Estimated claims payable (c)			16,672
Workers' compensation liability (c)			61,260
Accrued vacation and sick leave pay (c)			47,597
Total General Long-Term Obligations			<u>\$616,018</u>

Debt service payments are made from the following sources:

- Property tax recorded in the Debt Service Fund.
- Hotel taxes and operating revenues recorded in the Candlestick Park Special Revenue Fund.
- General revenues recorded in the General Fund.
- Hotel taxes and operating revenues recorded in the Convention Facilities Special Revenue Fund.
- Proceeds from sales of specified Agency owned land parcels and future property tax increment revenue. These bonds were re-financed for three years on July 1, 1990.
- Property taxes allocated to the Redevelopment Agency based on increased assessed valuations in project areas (note 10).
- Operating revenues recorded in the Marina Yacht Harbor Special Revenue Fund.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

ENTERPRISE OBLIGATIONS

	Final Maturity Date	Remaining Interest Rates	Amount
San Francisco International Airport:			
General obligation	1994	3.7 to 6.0%	\$ 8,660
Revenue	2020	5.5 to 13.0%	483,930
Capital lease	1995	9.5 to 16.0%	729
Port of San Francisco:			
General obligation:			
State of California	1999	1.0 to 4.85%	7,170
City and County of San Francisco	2005	4.5 to 6.3%	16,400
Revenue	2009	5.5 to 11.5%	54,552
Clean Water Program:			
General obligation	1999	4.0 to 6.0%	33,620
Revenue	2015	4.25 to 10.6%	329,964
Municipal Railway/Municipal Railway Improvement Corporation:			
Revenue	1997	4.0 to 7.5%	13,990
Capital lease	1994	7.1 to 7.7%	834
Water Department/Hetch Hetchy Project:			
General obligation	2000	4.0 to 6.25%	13,570
Revenue	2015	6.1 to 8.5%	107,322
Capital lease	1995	8.05%	966
San Francisco General Hospital:			
Short-term loan	1990	Variable, (5.9% average for FY 1989-90)	62,376
Capital leases	1994	7.75 to 11%	3,398
Laguna Honda Hospital:			
Capital lease	1998	8.14%	1,624
Nonprofit Parking Corporations:			
Downtown	1990	4.0%	235
Uptown	1996	6.2 to 7.0%	2,150
Western Addition	2000	3.7 to 4.75%	2,059
Ellis-O'Farrell	1992	3.7%	200
San Francisco Redevelopment Agency:			
California Department of Boating and Waterway Loan	2035	4.7 to 6.0%	8,000
South Beach Harbor	2016	Variable, (6.1% average for FY 1989-90)	23,900
Total Enterprise Obligations			<u>\$1,175,649</u>

There are a number of limitations and restrictions contained in the various bond indentures. The City believes it is in compliance with all significant limitations and restrictions (note 9(h)).

The primary collateral for the general obligation bonds is the ad valorem tax on property within the City (note 5).

Under U.S. Treasury Department temporary regulations, all governmental tax exempt debt issued after August 31, 1986 is subject to arbitrage rebate requirements. The requirements stipulate, in general, that earnings from the investment of tax exempt bond proceeds that exceed related interest expenditures

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

on the bonds must be remitted to the Federal government on every fifth anniversary of each bond issue. The City has evaluated each bond issue subject to the arbitrage rebate requirements and has deferred recognition of interest income of \$5.4 million.

At June 30, 1990, \$230.7 million of outstanding revenue bonds are considered defeased and have been removed from the balance sheet.

In order to facilitate affordable housing, the City has issued mortgage revenue bonds with an outstanding aggregate balance of \$136.9 million as of June 30, 1990. These obligations are secured by the related mortgage indebtedness and, in the opinion of management, are not obligations of the City.

The City is responsible for collecting property taxes to pay a portion of general obligation debt of other local governmental units that provide services within the City's boundaries, and which must be borne by properties in the City. The primary overlapping debt relates to the Bay Area Rapid Transit District (BART). City taxpayers are responsible for \$110.7 million, approximately 31.7% of BART debt, maturing serially through 1999.

(8) Retirement and Deferred Compensation Plans

The City maintains a single-employer, defined benefit pension plan (Employees' Retirement System) which covers most of its employees and participates in the California Public Employees Retirement System, a multiple-employer, cost sharing public employee pension plan which covers certain employees in public safety functions, the Port, the Airport and the Redevelopment Agency.

Employees' Retirement System

Plan Description—The City has a defined benefit retirement plan which is administered by the San Francisco Employees' Retirement System (the Retirement System). Substantially all full-time employees of the City participate in the Plan. The Plan provides basic service retirement, disability and death benefits based on specified percentages of defined monthly final average salary and provides cost-of-living adjustments after retirement. The Plan also provides disability benefits and death benefits to surviving spouses. The payroll for employees covered by the Retirement System for the year ended June 30, 1990 was \$904 million; the City's total payroll was \$1,008 million.

Police and fire department participants with 25 years of service who have attained age 50 are eligible for retirement benefits. Other participants with 20 years of service who have attained age 50 or those with 10 years of service who have attained age 60 are eligible for service retirement benefits.

During FY 1989-90 the Retirement System converted members' contributions to tax deferred status. This allows members to irrevocably elect to defer personal income taxes on their current contributions to the Plan.

The types and numbers of employees covered and current membership is summarized as follows at June 30, 1990:

	Retirees	Beneficiaries	Total
Retired employees			
General	9,068	2,201	11,269
Police	1,304	547	1,851
Fire	1,132	538	1,670
Total	<u>11,504</u>	<u>3,286</u>	<u>14,790</u>

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS— (Continued)

	Vested	Nonvested	Total
Active employees			
General	16,154	6,900	23,054
Police	1,612	257	1,869
Fire	1,160	165	1,325
Total	<u>18,926</u>	<u>7,322</u>	<u>26,248</u>

Funding Status and Progress—The amount shown below as "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and step-rate benefits, estimated to be payable in the future as a result of employee service to date. The measure is intended to help users assess the Retirement System's funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among employers. The measure is the actuarial present value of credited projected benefits and is independent of the funding method used to determine contributions to the Retirement System.

The pension benefit obligation was computed as part of an actuarial valuation performed as of June 30, 1989 by the actuarial firm of Millman and Robertson, Inc. Significant economic assumptions used in the actuarial valuation include: (1) annual rate of return on investments of 8%; (2) inflation element in wage increase of 6.5%; (3) salary merit increases ranging between 0.5% and 9% (based upon type of employee and years of service); and (4) postretirement benefit increase based on required annual cost-of-living adjustments which are a maximum of 2% per year for 75% of retirees and over 90% of active members. Remaining members may receive higher cost of living adjustments.

The unfunded pension benefit obligation applicable to the City's employees was \$1,170 million at June 30, 1989 and was calculated as follows (in thousands):

Pension benefit obligation:	
Retirees and beneficiaries currently receiving benefits	\$2,267,291
Current employees:	
Accumulated employee contributions	467,754
Employer-financed vested	1,005,313
Employer-financed nonvested	<u>977,530</u>
Total pension benefit obligation	4,717,888
Net assets available for benefits, at cost (market value of \$3,779,465)	<u>3,547,873</u>
Unfunded pension benefit obligation	<u>\$1,170,015</u>

Contribution Requirements and Contributions Made—A primary purpose of the actuarial valuation is to estimate the participant liabilities of the Retirement System so that contribution rates can be set to adequately fund the liability over the long term. The actuarial calculations are based on the entry age normal method with funding of the unfunded pension benefit obligation as a level percentage of payroll over the period ending June 30, 2000, as required by the Charter.

The significant actuarial assumptions from the actuarial valuation performed as of June 30, 1988 used to compute the contribution requirements for the year ended June 30, 1990 were the same as above.

Contributions are made to the basic plan by both the City and employees. Employee contributions are mandatory. Employee contribution rates for 1990 varied from 7% to 8% as a percentage of gross

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

salary except that general employees could elect to reduce their contributions in consideration of their anticipated Social Security benefit payments.

The basic City contributions are the amounts deemed necessary on an actuarial basis to provide the Retirement System with assets sufficient to pay the basic benefits that are not provided for by employees' contributions and existing assets. Employer contributions have been made in accordance with actuarially determined requirements. Total contributions for the year ended June 30, 1990 were (in thousands):

	Type of Employee		
	General	Police	Fire
City contribution:			
Normal cost	\$108,407	\$33,542	\$27,035
As a % of covered payroll	14.1%	44.0%	46.2%
Amortization of the unfunded actuarial accrued liability	\$ 7,026	\$26,614	\$26,780
As a % of covered payroll	.9%	35.0%	45.8%
Total City contributions	\$115,433	\$60,156	\$53,815
As a % of covered payroll	15.0%	79.0%	92.0%
Employee contributions	\$ 44,120	\$ 5,562	\$ 4,210
As a % of covered payroll	5.7%	7.3%	7.2%
Total contributions	\$159,553	\$65,718	\$58,025
As a % of covered payroll	20.7%	86.3%	99.2%

Historical Trend Information—Trend information gives an indication of the progress made in accumulating assets to pay benefits when due. Ten year historical trend information on revenues by source and expenses by type is included in a supplemental schedule to the financial statements of the Retirement System. Additional historical trend information regarding funding of the Plan is as follows:

	As of or Year Ended June 30,			
	1990	1989	1988	1987
Ratio of net assets available for benefits to pension benefit obligation	(1)	75.2%	72.7%	68.3%
Ratio of unfunded pension benefit obligation to annual covered payroll	(1)	145%	150%	180%
Ratio of employer contributions to annual covered payroll	25.4%	27.1%	29.7%	30.7%

(1) Actuarial valuation not yet performed.

California Public Employees Retirement System

Various City public safety, Port, Airport and Redevelopment Agency employees participate in the State of California Public Employees Retirement System (PERS). Employers' contributions to PERS totalled approximately \$0.4 million for the year ended June 30, 1990. The payroll for employees covered by PERS for the year ended June 30, 1990 was \$34.5 million, or 3.4% of total payroll. The overfunded pension benefit obligation applicable to employees included in PERS was \$14.9 million at June 30, 1989, the date of the most recent actuarial valuation.

The combined financial statements of the City's Office of the Controller and of the Redevelopment Agency contain disclosure for all covered employees.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS— (Continued)

Deferred Compensation Plan

The City and Redevelopment Agency offer their employees deferred compensation plans created in accordance with Internal Revenue Code Section 457. The plans, available to all employees, permit them to defer a portion of their salary until future years. The deferred compensation is not available to employees or other beneficiary until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the plans, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the City and Redevelopment Agency (without being restricted to the provisions of benefits under the plan), subject only to the claims of their general creditors. Participants' rights under the plans are equal to those of general creditors of the City and Redevelopment Agency in an amount equal to the fair market value of the deferred account for each participant. In the opinions of the respective legal counsels of the City and Redevelopment Agency, the governments have no liability for losses under the plans but have the duty of due care that would be required of an ordinary prudent investor. Neither the City nor Redevelopment Agency believe it is likely that either will use the plans' assets to satisfy the claims of their general creditors in the future.

Deferred compensation plan assets are included in an agency fund. Of the \$141.6 million in the plan at June 30, 1990, \$139.1 million was applicable to the City and \$2.5 million was applicable to the Redevelopment Agency.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

(9) Segment Information for Enterprise Funds

The City maintains Enterprise Funds that provide water, sewage treatment, airport, public transportation, hospital, parking, and harbor services and facilities which are largely financed by user charges. Segment information for the year ended June 30, 1990 follows (in thousands):

	San Francisco International Airport	Port of San Francisco	Water Dept./ Hetch Hetchy Project	Municipal Railway	Laguna Honda Hospital	General Hospital Medical Center	Clean Water Program	Parking Garages/ Other	Total
Operating revenues	\$139,156	\$ 29,610	\$127,967	\$ 80,636	\$67,929 (1)	\$114,028 (1)	\$ 65,324	\$16,012	\$ 640,662
Operating expense:									
Depreciation	23,920	4,877	16,182	17,962	1,295	4,252	22,136	619	91,243
Other	87,489	22,934	86,920	247,378	79,716	211,868	49,176	10,324	795,805
Operating income (loss) ..	27,747	1,799	24,865	(184,704)	(13,082)	(102,092)	(5,988)	5,069	(246,386)
Operating grants	—	—	—	47,273	638	32,705	—	—	80,616
Operating transfers (net) ..	(12,074)	—	(15,000)	112,568	10,437	68,786	6,097	(2,716)	168,098
Interest and other non-operating revenues (expenses)	(14,159)	(1,758)	(1,779)	17,387	46	(948)	(13,562)	(406)	(15,179)
Net income (loss)	\$ 1,514	\$ 41	\$ 8,086	\$ (7,476)	\$ (1,961)	\$ (1,549)	\$ (13,453)	\$ 1,947	\$ (12,851)
Current assets	\$201,297	\$ 32,912	\$ 95,323	\$ 65,935	\$15,355	\$ 89,230	\$ 24,683	\$18,126	\$ 542,861
Current liabilities	63,944	11,901	25,136	62,502	19,444	89,545	41,504	7,908	321,884
Net working capital	\$137,353	\$ 21,011	\$ 70,187	\$ 3,433	\$ (4,089)	\$ (315)	\$ (16,821)	\$10,218	\$ 220,977
Total assets	\$936,527	\$250,217	\$711,874	\$565,855	\$31,196	\$133,726	\$1,208,446	\$81,889	\$3,919,730
Total liabilities	551,714	91,198	152,152	110,573	27,349	103,198	403,368	47,217	1,486,769
Fund equity	\$384,813	\$159,019	\$559,722	\$455,282	\$ 3,847	\$ 30,528	\$ 805,078	\$34,672	\$2,432,961
Contributed capital—beginning	\$106,206	\$ 71,856	\$ 49,855	\$284,411	\$ 8,448	\$ 56,014	\$ 664,967	\$ —	\$1,241,757
Federal, State and other capital grants	1,733	2,363	—	46,439	—	293	12,541	—	63,369
Depreciation on contributed assets	—	—	(1,185)	(15,630)	—	—	(13,718)	—	(30,533)
Contributed capital—ending	\$107,939	\$ 74,219	\$ 48,670	\$315,220	\$ 8,448	\$ 56,307	\$ 663,790	\$ —	\$1,274,593
Retained earnings (deficit)	\$276,874	\$ 84,800	\$511,052	\$140,062	\$ (4,601)	\$ (25,779)	\$ 141,288	\$34,672	\$1,158,368
Fixed asset additions (net) ..	\$ 36,111	\$ 8,455	\$ 36,107	\$ 53,480	\$ 1,608	\$ 3,402	\$ 48,339	\$ 2,691	\$ 190,193
Net proceeds from sale of bonds	91,082	—	—	—	—	—	—	—	91,082
Total debt outstanding	\$493,319	\$ 78,122	\$121,858	\$ 14,824	\$ 1,624	\$ 65,774	\$ 363,584	\$36,544	\$1,175,649

(1) Net of \$11.8 million and \$136.4 million in provisions for contractual allowances and uncollectible accounts for Laguna Honda Hospital and General Hospital Medical Center, respectively.

(a) San Francisco International Airport

The Airport sold \$92.9 million in revenue bonds in March 1990 to finance improvements and modernization of airport facilities in accordance with a five-year capital project plan.

Pursuant to an agreement with certain airlines, the Airport makes an annual payment to the City's General Fund equal to 15% of concessionaire revenue, but not less than \$5 million per fiscal year. The amount transferred to the General Fund during fiscal year 1989-90 was \$12.1 million.

Non-operating expenses include \$8.9 million for property damages incurred in the Loma Prieta earthquake (note 13).

Purchase commitments for construction, materials and services at June 30, 1990 were \$18.7 million.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

(b) *Port of San Francisco*

Prior to 1969 the Port of San Francisco was owned by the State of California. At that time the Port was transferred to the City under terms and conditions of legislation as ratified by the electorate of the City. Accordingly, the City assumed all debt, including State of California general obligation bonds, from the State at the date of transfer; this debt amounted to \$7.2 million at June 30, 1990. The State retains the right to amend, modify or revoke the transfer provided that it assumes all related lawful obligations.

The Port is currently planning various development projects which involve a commitment to spend significant capital funds. Purchase commitments for construction, materials and services at June 30, 1990 were \$2.6 million.

(c) *Water Department/Hetch Hetchy Project*

The segment data presented reflects the combined statements of the Water Department/Hetch Hetchy Project (Water/Hetch Hetchy), whose operations are interrelated. The Hetch Hetchy Project is a system of reservoirs and hydroelectric generating stations and the related distribution systems; it provides the Water Department with its water for San Francisco and other municipalities and sells electric power to City departments and to public and private agencies. Water/Hetch Hetchy charges for services in FY 1989-90 to other City entities were \$35.1 million.

The property tax levy of the City includes amounts to pay annual bond interest and redemption charges on general obligation bonds of Water/Hetch Hetchy, which are included in the Water/Hetch Hetchy Enterprise Fund. Water/Hetch Hetchy transfers a like amount to the General Fund, as described in note 5.

Income from Water/Hetch Hetchy is available for certain operations of the City. During the year ended June 30, 1990, \$15 million was transferred to the General Fund in addition to the amount described above.

The Hetch Hetchy Project has a back-up electric power contract with Pacific Gas & Electric (PG&E) which allows Hetch Hetchy to provide guaranteed power to City entities and third party customers. The contract pricing may be retroactively adjusted by PG&E based on its own costs. Adjustments are recorded as expenses in the year in which they are received.

Purchase commitments for construction, materials and services at June 30, 1990 were \$4.3 million.

(d) *Municipal Railway*

The segment data reflects the combined operations of the San Francisco Municipal Railway (Muni) and the San Francisco Municipal Railway Improvement Corporation (SFMRIC). SFMRIC is a nonprofit corporation organized for the purpose of acquiring, constructing, improving and financing improvements to the City's public transportation system. The City's Annual Appropriation Ordinance provides funds to subsidize Muni's operating deficits as determined under the City's budgetary accounting procedures, subject to the appropriation process.

Power, maintenance and construction costs valued at \$8.7 million for overhead distribution lines used to operate certain Muni vehicles were provided by the Hetch Hetchy Project at no cost to Muni for FY 1989-90.

The Muni collects fees which are intended to recover the capital and/or operating costs of increased peak period transit service associated with new office construction in downtown San Francisco. Several legal actions brought against the legality of these fees have been decided in favor of Muni. The one remaining lawsuit has been decided in favor of Muni but is under appeal; the related cash receipts were placed in escrow, and income recognition in the amount of \$4.0 million has been deferred at June 30,

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

1990. An allowance of one percent of fees assessed has been provided for the possibility of paying refunds for the conversion of buildings to non-office use. The amount recognized as income in FY 1989-90, including interest, was \$12.8 million and is reported as non-operating revenue.

As of June 30, 1990, the Municipal Railway had various approved capital grants with unused balances amounting to \$131.8 million available to finance various improvements. Contract commitments were \$31.1 million at June 30, 1990.

The State Public Utilities Code provides that fare revenues must equal or exceed 33% of operating costs in order to qualify for allocation of sales tax revenues available for public transit. However, state law provides that a portion of the City's subsidy may count toward meeting the 33% requirement, subject to annual approval. Muni did not meet this specified percentage of fare revenue in FY 1989-90, and has requested inclusion of the subsidy. No response has been received. Muni management believes no liability will result.

(e) *Laguna Honda Hospital*

The operations of Laguna Honda Hospital, an acute health care facility specializing in serving elderly and disabled residents, were established as an enterprise fund on July 1, 1983. As with other subsidized enterprises, the City's policy is to fund Laguna Honda's operating deficits on a budgetary basis, subject to the appropriation process.

(f) *General Hospital Medical Center*

The City's policy provides for the General Fund to fund operating deficits of the General Hospital Medical Center (Hospital), as determined in accordance with the City's budgetary accounting procedures, subject to the appropriation process.

The State provides funding for medically indigent adult patients. Such amounts totaled \$23.1 million in FY 1989-90 and are included in operating revenues.

State Proposition 99, the Tobacco Tax Initiative, was approved by the voters in 1989 and makes funds available for health care services for indigent persons and others who are unable to pay for health care services. The City has allocated to the Hospital virtually all funds received under Proposition 99 for use by the City. This amount was \$14.2 million in FY 1989-90, substantially all of which is included in operating transfers.

The Hospital has received short-term loans from the California Health Facilities Financing Authority, which has sold revenue bonds to fund loans to various California hospitals. At June 30, 1990, the amount outstanding was \$62.4 million, which is due December 1, 1990 (note 7). An additional loan for \$69 million was obtained in September 1990, due in October 1991.

In FY 1989-90 the Hospital transferred net assets of \$2.8 million relating to the construction of a mental health facility at the Hospital to the Capital Projects—City Facility Improvements Fund and \$3.0 million in related general obligation bonds payable to the General Long-Term Obligation Account Group. The \$2.8 million transfer transaction is reported as a residual equity transfer to the Capital Projects Fund.

(g) *Clean Water Program*

The Clean Water Program Enterprise Fund was established pursuant to bond resolutions to account for the whole of the municipal sewage treatment and disposal system, including a major construction program currently underway.

A substantial part of the cost of the total construction program has been and is expected to be provided by capital grants from the United States Environmental Protection Agency and capital grants

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

and loans from the California State Water Resources Control Board. The Clean Water Program's portion of financing has been and is expected to be provided from revenue bond proceeds.

To provide for possible deferral or discontinuance of Federal and state funds, Clean Water management has developed a schedule consistent with its Master Plan that builds operating core systems on both sides of the City. Both systems are operational and achieve 93% of the environmental benefits of the Master Plan. These systems will be interconnected and enlarged in incremental stages to ensure functioning units while implementing the Master Plan program. The completed two-core system is expected to cost \$994 million. Funding for \$1,009 million is available. As of June 30, 1990, the Clean Water Program had outstanding construction contract commitments of \$180.7 million.

The City is currently operating under Cease and Desist Orders imposed by the San Francisco Bay Regional Water Quality Control Board which contain project schedules leading to compliance with all provisions of the Federal Water Pollution Control Act by 1996. The Clean Water Program management believes that, given the assumed level of grant, bond and loan funding, the City will comply with the Orders.

In December 1989, the Clean Water Program entered into a loan contract with the California State Water Resources Control Board under which it can borrow up to a maximum of \$40 million to finance the construction of the Oceanside Water Pollution Control Plant. The interest rate is 3.4% per annum. There were no outstanding borrowings under this loan at June 30, 1990.

During FY 1989-90, an operating transfer of \$6.1 million was made from the City's Debt Service Fund to provide for general obligation debt service of the enterprise fund. The City has approved an operating transfer of \$4.6 million for FY 1990-91.

(h) *Parking Garages/Other*

The segment data reflects the operations of five parking garages operated by separate nonprofit corporations organized by the City. This segment data also includes the San Francisco Market Corporation, a nonprofit corporation organized to acquire, construct, finance and operate a produce market, and the Redevelopment Agency's South Beach Harbor Project, an enterprise fund established to commercially develop an area of the Bay waterfront and operate a boat harbor. All of the nonprofit corporations had net income for their most recent fiscal year.

The South Beach Harbor Project had a net loss of \$0.9 million for FY 1989-90 since it had been operational for less than three years and facility rentals have not yet reached a break-even point. This has caused the Agency to not meet current year debt service coverage ratios required in conjunction with the \$23.9 million Project indebtedness. Agency management expects that compliance with these covenants will be achieved within three years through early payoff of a portion of the debt. After consideration of cash reserves, management's projections indicate that adequate cash will exist to make debt service payments until compliance is achieved, and management does not believe that the situation will precipitate a formal default.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

(10) San Francisco Redevelopment Agency

The Agency is a public body, corporate and politic, organized and existing under the Community Redevelopment Law of the State of California. Since its organization in 1948, the Agency has completed redevelopment plans for five redevelopment project areas and has six redevelopment plans now being implemented, including the newly created South of Market Earthquake Recovery Redevelopment Area. The redevelopment process, which seeks to increase the City's housing and tax base while accommodating needed public projects, has been applied to approximately 4% of the City's total land area. The Agency has adopted as its current mission the creation of affordable housing and economic development opportunities citywide.

The Agency has no direct taxing power and does not have the power to pledge the general credit or taxing power of the City, the State of California or any political subdivision thereof. However, California's Health and Safety Code allows redevelopment agencies to recover costs of financing public improvements from increased tax revenues associated with individual project areas' increased property values. During the year, the Agency received \$2.1 million from this source. This amount is less than the full amount of the tax increment in the project areas as it is determined under an indebtedness limitation agreement with the City. The Agency's other primary sources for funding urban development include rent, interest and proceeds from the sale of land acquired for redevelopment. The following is a financial summary of the Agency Capital Project Fund at June 30, 1990 (in thousands).

ASSETS	OPERATIONS
Deposits, investments and other assets	Revenues:
Property held for resale and/or lease	Tax increment
Total assets	Land sales proceeds
	Investment earnings
	Rent
	Other
	Expenditures—capital outlay
	Excess of expenditures over revenues
	Other financing sources (uses):
	Loan proceeds from Redevelopment Financing Authority
	Transfer from Redevelopment Financing Authority
	Transfer to Debt Service Fund
	Excess of revenues and other sources over expenditures and other uses
	Fund balance at beginning of year
	Net change in reserve for assets not available for appropriation
	Fund balance at end of year

LIABILITIES AND FUND BALANCE

Accounts payable and deferred revenues	\$ 9,380
Fund balance:	
Reserved for property held for resale and/or lease	104,540
Unreserved—undesignated	52,897
	157,437
Total liabilities and fund balance	\$166,817

* Use of proceeds is or is expected to be restricted for specific project costs by contractual agreement.

During FY 1989-90, the City and County of San Francisco Redevelopment Financing Authority (Authority), which is a separate public entity pursuant to a joint exercise of powers agreement with the City, sold \$39.2 million in tax allocation revenue bonds, proceeds of which were loaned to the Agency to finance capital improvements and provide working capital in the Hunters Point, Western Addition A-2, Rincon Point-South Beach, and Yerba Buena Center project areas. Loan payments to the Authority equal debt service payments, and are secured by property tax increment revenues. Because the loan transaction is entirely within the financial reporting entity, it has been eliminated in the combined financial statements. The Authority is accounted for as a debt service fund.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

Lease revenue bonds issued in prior years for properties leased to the City, primarily the Moscone Convention Center, had a June 30, 1990 balance of \$221.7 million (note 7). The City is currently managing construction of a major expansion to Moscone Convention Center, expected to be completed in 1992, using bond proceeds, hotel tax surcharge proceeds, and investment earnings. Construction activity is accounted for in a capital project fund of the City. The Agency accounts for bond construction money in an agency account held for the benefit of the City.

During FY 1989-90, the Agency established a \$10 million citywide housing fund and provided an additional \$7.8 million for housing-related activities in the redevelopment project areas. The citywide housing fund will be used to fund loans to improve or construct housing for low income persons outside redevelopment project areas. The \$7.8 million will be used for infrastructure improvements and second deed of trust financing to assure affordability, principally in the Hunters Point redevelopment project area.

In order to facilitate construction and rehabilitation within the project areas, the Agency has issued various construction loan notes, promissory notes, mortgage revenue bonds, special assessment bonds, and certificate of deposit revenue bonds with an aggregate outstanding balance of \$495.4 million at June 30, 1990. These obligations are secured by the related mortgage indebtedness or property and, in the opinion of management, are not obligations of the Agency or City.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

(11) Interfund Receivables and Payables

Individual interfund receivable and payable balances at June 30, 1990 are as follows (in thousands):

	Interfund Receivables	Interfund Payables		Interfund Receivables	Interfund Payables
General Fund	\$ 38,451	\$ 32,607	Enterprise Funds:		
Special Revenue Funds:			San Francisco International Airport ..	\$ 4	\$ 3,245
Hotel Tax Fund	—	10,817	Port of San Francisco	2,417	1,194
Gasoline Tax Fund	4	2,489	Water Department/Hetch Hetchy		
Convention Facilities Fund	7,590	293	Project	590	3,678
Open Space and Park Fund	188	2,186	Municipal Railway	152	14,517
Community Development Block Grant			Laguna Honda Hospital	87	9,655
Fund	549	35	General Hospital Medical Center	14,646	1,845
Senior Citizens' Programs Fund	20	12	Clean Water Program	1,111	10,145
Candlestick Park Fund	1,195	478	Parking Garages/Other	—	2,371
Special Recreation and Park Revenue				<u>19,007</u>	<u>46,650</u>
Fund	962	1,802			
San Francisco County Transportation			Internal Service Funds:		
Authority Fund	—	155	Data Processing Fund	869	132
Building Inspection Fund	207	1,547	Central Shops Fund	3,855	2,538
Health and Human Services Fund	1,380	2,910	Other Internal Service Funds	902	15
Off-Street Parking Fund	500	1,829		<u>5,626</u>	<u>2,685</u>
Department of Transportation Fund	—	3,322			
Department of Health Fund	1,653	1,976	Fiduciary Funds:		
Miscellaneous Federal Grant Funds	575	972	Employees' Retirement System	1,121	308
Miscellaneous State Grant Funds	99	4,739	Health Service System	3,313	1
Other Special Revenue Funds	42,967	7,830	Expendable Trust Fund—Gift Fund	52	190
	<u>57,889</u>	<u>43,392</u>	Agency Funds:		
Debt Service Fund	81	—	Payroll Deduction Fund	512	411
Capital Projects Funds:			Unappropriated Taxes Fund	58	—
Redevelopment Agency Fund	838	—	Transportation Fund	59	—
Street Improvement Fund	4,694	2,152	Deposits Fund	93	81
City Facility Improvement Fund	13,756	14,749	Assistance Program Fund	3	1,232
Recreation and Park Projects Fund	349	793	School and College District Fund	6	3,818
Moscone Convention Center Fund	102,738	—	Construction Deposits Fund	—	102,738
Other Capital Projects Funds	4,464	493	Other Agency Funds	68	878
	<u>126,839</u>	<u>18,187</u>		<u>5,285</u>	<u>109,657</u>
			Total	<u>\$253,178</u>	<u>\$253,178</u>

(12) Commitments and Contingent Liabilities

(a) Claims and Litigation

Numerous lawsuits related to the governmental fund types are pending or threatened against the City. The City Attorney estimates the amount of liability determined to be probable of occurrence as of June 30, 1990, in accordance with Statement of Financial Accounting Standards No. 5, to be approximately \$35.6 million. Claims and litigation in the governmental fund types approximating \$18.9 million are estimated to be payable in the next year and are included as liabilities of the General Fund. The remainder is included in the General Long-Term Obligations Account Group. The recorded liability is the City's best estimate based on available information and may be revised as further information is obtained and as pending cases are litigated.

The City Attorney estimates that certain other pending cases have a reasonable possibility (defined as more than remote but less than likely) of resulting in additional liability in the aggregate amount of \$43.1 million. This amount is not recorded in the accompanying financial statements because the status and/or facts of these cases are such that it is not probable that a loss has been incurred as of June 30, 1990.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS— (Continued)

The Municipal Railway self-insures for estimated accident claims. Estimated accident claims payable amounted to approximately \$12.1 million as of June 30, 1990. Estimated claims payable in other Enterprise Funds were \$5.5 million.

(b) Grants and Subventions

Receipts from Federal and state grants and other similar programs are subject to audit to determine if the monies were expended in accordance with appropriate statutes, grant terms and regulations. The City believes that no significant liabilities will result.

(c) Insurance

For its general governmental activities, Clean Water Program and General Hospital Medical Center, the City self-insures all general liability risks and substantially all its property risks except for limited excess coverage maintained on certain facilities. Payment of claims is provided through annual appropriations which are based on claims payment experience, and supplemental appropriations.

Limited external insurance coverage is maintained by the San Francisco Redevelopment Agency, San Francisco International Airport, Port of San Francisco, Water Department/Hetch Hetchy Project and Municipal Railway. Additionally, coverage is maintained for Moscone Convention Center property and personal liability, and for art at City-owned museums.

The City self-insures for workers' compensation coverage. The City estimates claims liability based on methodology similar to that used by the insurance industry. The total amount estimated to be payable for claims incurred as of June 30, 1990 was \$105.7 million which is reported in the appropriate individual funds and the General Long-Term Obligations Account Group in accordance with the City's accounting policies (note 2).

Health care benefits of employees, retired employees and surviving spouses are financed by beneficiaries and by the City through the Health Service System, the only nonexpendable trust fund. The City's contribution, which amounted to approximately \$61.7 million in FY 1989-90, is determined by Charter provision based on similar contributions made by the ten most populous counties in California. Included in this amount is \$17.1 million to provide postretirement health care benefits for retired employees. The City's liability for both current employee and postretirement health care benefits is limited to its annual contribution.

(d) Capital Leases

The City has entered into a lease agreement as lessee for financing the acquisition of telephone equipment. The City has also financed certain computer equipment in the Data Processing Internal Service Fund. These agreements qualify as capital leases for accounting purposes and, therefore, have been recorded in the financial statements as fixed assets and related lease debt. Future capital lease payment requirements are included in note 7.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

(e) Operating Leases

The City has operating leases for certain buildings and data processing equipment which are not material to the City's operations. The Airport, Port and two parking garages lease various facilities to tenants and concessionnaires who will provide the following minimum annual payments (in thousands):

<u>Fiscal Years</u>	<u>Amount</u>
1991	\$ 44,461
1992	43,357
1993	39,743
1994	35,832
1995	16,534
Thereafter	<u>206,623</u>
	<u>\$386,550</u>

(f) Deficit Fund Balances/Retained Earnings

At June 30, 1990, the two hospital enterprise funds, Laguna Honda Hospital and General Hospital Medical Center, had accumulated deficits of \$4.6 million and \$25.8 million, respectively. The City's policy is to fund operating deficits on a budgetary basis, which approximates the modified accrual basis of accounting. Accordingly, depreciation and certain non-current accrued expenses are not funded, resulting in continuing deficits.

(13) Earthquake Damage

The City suffered significant damage from the Loma Prieta earthquake which occurred October 17, 1989. The City has identified the damaged property and infrastructure, including assets recorded in the Enterprise Funds and General Fixed Assets Account Group, and has made estimates of certain replacement and repair expenditures/expenses. Additionally, the City incurred substantial non-recurring operational expenditures/expenses for fire, police, building inspection and similar services. A summary of the earthquake related transactions affecting the Governmental Funds/Account Group and the Enterprise Funds as of and for the year ended June 30, 1990 is as follows (in millions):

	<u>Governmental Funds/ Account Group</u>	<u>Enterprise Funds</u>	<u>Total</u>
Approved reimbursements from Federal Emergency Management Agency (FEMA) and other state and Federal agencies	<u>\$29.5</u>	<u>\$11.1</u>	<u>\$40.6</u>
Expenditures/expenses recorded including accruals	<u>\$16.9</u>	<u>\$18.7</u>	<u>\$35.6</u>
Reimbursements recorded as revenue:			
Cash received	\$ 9.4	\$ 3.1	\$12.5
Receivable	6.9	6.4	13.3
Total	<u>\$16.3</u>	<u>\$ 9.5</u>	<u>\$25.8</u>

All repairs essential to general government service delivery and enterprise operations have been made. Repair estimates have not been made for remaining damages other than in a general manner. Assuming all damages would be repaired, the City now believes that approximately \$60 million would be required, excluding seismic upgrades, retrofitting or other improvements. However, these repair estimates have not undergone a formal estimation process and the amounts are subject to change as a result

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

of final detail project identification and/or the contract process. Furthermore, the City has not yet determined to what extent repairs will be undertaken for damages to non-essential property and infrastructure. Accordingly, these amounts have not been recorded as liabilities in the accompanying combined financial statements.

The City is continuing to negotiate with Federal and state agencies to obtain additional funding. With the exception of the Airport, where \$8.9 million in expenses were incurred for which no Federal or state grant funds were available, the City does not expect to incur repair expenditures/expenses in excess of amounts available from grant reimbursement or through available bond proceeds (note 7).

The City experienced an initial decrease in property, business and other local tax revenues, net of state reimbursements, but this did not have a significant effect on its ability to provide an appropriate level of service in FY 1989-90, nor is it expected to impact future years. Certain property owners within the city have filed for property tax rebates due to the reduction of assessed property values resulting from earthquake damage. The City has received a one-time reimbursement from the state in the amount of \$1.5 million for such rebates. Additionally, the City received approximately \$5.5 million from other funding sources, including private donations.

(14) Subsequent Event

Bond Issue—November 6, 1990 Election

Sixty-nine percent of the City's voters approved a \$16.5 million general obligation bond proposition for correctional facilities to be constructed or reconstructed, partially from state grants and partially from matching funds from proceeds of sale of these bonds.

**Combining, Individual Fund and
Individual Account Group Financial
Statements and Schedules**

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CITY AND COUNTY OF SAN FRANCISCO

GENERAL FUND

The General Fund accounts for resources that are traditionally associated with governments and that are not required to be accounted for in another fund. Consequently, revenues and expenditures of the Traffic Fines and the Welfare Assistance and Administration Funds are accounted for in the General Fund.

CITY AND COUNTY OF SAN FRANCISCO

GENERAL FUND

Comparative Balance Sheet
June 30, 1990 and 1989

(In Thousands)

ASSETS

	1990	1989
Deposits and investments	\$100,797	\$ 68,287
Receivables (net of allowance for uncollectible amounts of \$7,212 in 1990):		
Property taxes and penalties	46,155	40,837
Other local taxes	76,827	71,721
Federal and state grants and subventions	25,540	34,899
Charges for services	239	1,937
Interest and other	4,452	3,509
Interfund receivables	38,451	29,594
Inventories	594	423
Deferred charges and other assets	603	302
Total assets	<u>\$293,658</u>	<u>\$251,509</u>

LIABILITIES

Accounts payable	\$ 15,551	\$ 11,122
Accrued payroll	37,452	32,873
Accrued vacation and sick leave pay	29,396	26,134
Accrued workers' compensation	12,000	10,481
Estimated claims payable	18,938	29,311
Deferred tax, grant and subvention revenues	50,424	43,634
Interfund payables	32,607	11,434
Deferred credits and other liabilities	6,655	4,315
Total liabilities	<u>203,023</u>	<u>169,304</u>

FUND EQUITY

Fund balances:		
Reserved by charter for cash requirements	43,574	43,574
Reserved by charter for emergencies	4,862	3,862
Reserved for inventory type assets not available for appropriation	1,485	1,253
Reserved for encumbrances	15,623	21,391
Reserved for appropriation carryforward	11,286	15,419
Reserved for subsequent years' budgets	12,750	17,956
Unreserved—undesignated	1,055	(21,250)
Total fund equity	<u>90,635</u>	<u>82,205</u>
Total liabilities and fund equity	<u>\$293,658</u>	<u>\$251,509</u>

CITY AND COUNTY OF SAN FRANCISCO

GENERAL FUND

Comparative Statement of Revenues, Expenditures
and Changes in Fund Balance
Years ended June 30, 1990 and 1989

(In Thousands)

	1990	1989
Revenues:		
Property taxes	\$ 420,820	\$ 378,517
Business taxes	152,265	142,713
Other local taxes	170,238	174,188
Grants and subventions	353,615	300,289
Licenses, fines and penalties	46,856	47,352
Interest and investment earnings	20,081	19,264
Charges for services	27,626	26,091
Other	7,088	8,048
Total revenues	<u>1,198,589</u>	<u>1,096,462</u>
Expenditures:		
Public protection	443,808	416,070
Public works, transportation and commerce	23,867	19,337
Human welfare and neighborhood development	245,162	217,042
Community health	135,886	118,651
Culture and recreation	62,755	58,681
General administration and finance	106,420	110,387
Total expenditures	<u>1,017,898</u>	<u>940,168</u>
Excess of revenues over expenditures	<u>180,691</u>	<u>156,294</u>
Other financing sources (uses):		
Operating transfers in	34,796	53,389
Operating transfers out	(207,289)	(191,059)
	<u>(172,493)</u>	<u>(137,670)</u>
Excess of revenues and other sources over expenditures and other uses	8,198	18,624
Fund balances at beginning of year	82,205	63,537
Net change in reserve for assets not available for appropriation	232	44
Fund balances at end of year	<u>\$ 90,635</u>	<u>\$ 82,205</u>

CITY AND COUNTY OF SAN FRANCISCO

GENERAL FUND

Schedule of Expenditures and Encumbrances by Department—
Budget and Actual—Budget Basis
Year ended June 30, 1990

(In Thousands)

	Revised Budget	Actual	Variance- Favorable (Unfavorable)
Public Protection			
District Attorney	\$ 20,408	\$ 20,134	\$ 274
Public Defender	7,849	7,741	108
Sheriff	28,942	28,927	15
Superior Court	14,862	14,192	670
Municipal Court	18,965	17,959	1,006
Juvenile Court	15,183	14,878	305
Adult Probation	5,570	5,440	130
County Clerk	5,989	5,498	491
Fire Department	136,564	135,432	1,132
Police Department	194,584	191,420	3,164
County Agriculture/Weights and Measures	609	587	22
Public Administrator/Guardian	1,678	1,602	76
	<u>451,203</u>	<u>443,810</u>	<u>7,393</u>
Public Works, Transportation and Commerce			
Permit Appeals	244	227	17
PUC Light, Heat and Power	4,122	4,044	78
Electricity and Telecommunications	6,136	5,490	646
Public Works	13,582	13,493	89
	<u>24,084</u>	<u>23,254</u>	<u>830</u>
Human Welfare and Neighborhood Development			
Human Rights Commission	1,797	1,705	92
Social Services	247,092	241,645	5,447
Commission on the Status of Women	601	556	45
	<u>249,490</u>	<u>243,906</u>	<u>5,584</u>
Community Health			
Medical Examiner/Coroner	2,378	2,278	100
Public Health Central Office	58,798	56,098	2,700
Community Mental Health	87,784	83,623	4,161
	<u>148,960</u>	<u>141,999</u>	<u>6,961</u>
Culture and Recreation			
County Education Office	111	93	18
Art Commission	1,357	1,306	51
Public Library	20,122	19,379	743
Recreation and Park Commission	34,428	34,404	24
Academy of Sciences	1,709	1,639	70
Fine Arts Museum	4,213	4,142	71
Asian Art Museum	1,325	1,320	5
Law Library	195	192	3
	<u>63,460</u>	<u>62,475</u>	<u>985</u>
General Administration and Finance			
Board of Supervisors	4,791	4,592	199
Assessor	6,495	6,049	446
City Attorney	5,763	5,577	186
Treasurer/Tax Collector	9,780	9,050	730
Controller	13,110	12,239	871
Mayor	7,710	7,406	304
City Planning	5,743	5,260	483
Civil Service	6,570	6,241	329
Retirement System—Workers' Compensation Division	13,012	12,738	274
Chief Administrative Officer	10,533	10,519	14
Real Estate	2,153	2,155	8
Animal Care and Control	1,508	1,419	89
Recorder	841	776	65
Registrar	2,669	2,610	59
Purchaser	2,687	2,451	236
General City Responsibility*	26,035	23,528	2,507
	<u>119,410</u>	<u>112,610</u>	<u>6,800</u>
Total General Fund	<u>\$1,056,607</u>	<u>\$1,028,054</u>	<u>\$28,553</u>

* Includes general claims liability, postretirement benefits and data processing costs.

CITY AND COUNTY OF SAN FRANCISCO
GENERAL FUND
Schedule of Budget Appropriation Changes
Year ended June 30, 1990

(In Thousands)

	Original Budget (a)	Supple- mental Appro- priations	Carryforward Appropriations		Revised Budget
			Beginning	Ending	
Revenues:					
Property taxes	\$ 415,757	\$ —	\$ —	\$ —	\$ 415,757
Business taxes	152,206	—	—	—	152,206
Other local taxes	177,120	—	—	—	177,120
Grants and subventions	322,982	26,558	—	—	349,540
Licenses, fines and penalties	55,478	—	—	—	55,478
Interest and investment earnings ..	17,677	301	—	—	17,978
Charges for services	29,728	49	—	—	29,777
Other	6,319	100	—	—	6,419
Total revenues	<u>1,177,267</u> (b)	<u>27,008</u>	<u>—</u>	<u>—</u>	<u>1,204,275</u>
Expenditures and encumbrances:					
Public protection	438,863	12,356	2,727	2,743	451,203
Public works, transportation and commerce	21,567	2,275	918	676	24,084
Human welfare and neighborhood development	237,327	12,207	417	461	249,490
Community health	141,714	8,566	1,090	2,410	148,960
Culture and recreation	63,493	(39)	443	437	63,460
General administration and finance	<u>95,825</u>	<u>18,273</u>	<u>9,824</u>	<u>4,512</u>	<u>119,410</u>
Total expenditures and encumbrances	<u>998,789</u>	<u>53,638</u>	<u>15,419</u>	<u>11,239</u>	<u>1,056,607</u>
Excess (deficiency) of revenues over (under) expenditures and encumbrances	<u>178,478</u>	<u>(26,630)</u>	<u>(15,419)</u>	<u>(11,239)</u>	<u>147,668</u>
Other financing sources (uses):					
Operating transfers in	45,719 (c)	235	—	—	45,954
Operating transfers out	<u>(212,347)</u>	<u>(8,641)</u>	<u>(87)</u>	<u>(47)</u>	<u>(221,028)</u>
	<u>(166,628)</u>	<u>(8,406)</u>	<u>(87)</u>	<u>(47)</u>	<u>(175,074)</u>
Excess (deficiency) of reve- nues and other sources over (under) expendi- tures, encumbrances and other uses	<u>11,850</u>	<u>(35,036)</u>	<u>(15,506)</u>	<u>(11,286)</u>	<u>(27,406)</u>
Fund balances at beginning of year	<u>125,511</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>125,511</u>
Fund balances at end of year	<u>\$ 137,361</u>	<u>\$(35,036)</u>	<u>\$(15,506)</u>	<u>\$(11,286)</u>	<u>\$ 98,105</u>

(a) Certain reclassifications have been made to the original budget to conform to City accounting procedures.

(b) Differs from the Annual Appropriations Ordinance due to \$214.8 million of budgeted revenues for Welfare Assistance and Administration and Traffic Fines, included as General Fund revenue because related expenditures are General Fund expenditures.

(c) Includes \$39.9 million considered to be equity or contribution transfers in the Annual Appropriation Ordinance.

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes. Fourteen major funds are separately identified representing 81.7% of the combined revenues of the Special Revenue Funds. Three groupings of smaller funds are reported for miscellaneous Federal and state grants and other minor funds. Operations of those three fund groupings are shown in a separate schedule.

Hotel Tax Fund—Accounts for the portion of the hotel room tax not allocated directly to the General Fund. Allocations from this fund are controlled by continuing ordinance. Fifty-two percent is designated for lease payments of the Moscone Center in the Yerba Buena Center Redevelopment Project Area and operating costs of the various convention facilities: Moscone Center, Brooks Hall and the Civic Auditorium. Ten percent goes to the War Memorial Fund for certain operating costs. Up to 6.23% may go to the Convention Facilities Fund, depending on other revenues of the Convention Facilities Fund, to pay certain specified operating costs. The San Francisco Stadium, Inc. receives 6.23% for improvement of and debt service for Candlestick Park. Another 6.23% is designated for low income housing in Yerba Buena Center Redevelopment Project Area, together with specific lump sum allocations for limited purposes related to housing. The remainder is transferred to the General Fund for specific costs or undesignated general uses.

Gasoline Tax Fund—Accounts for the subventions received from state gas taxes under the provision of the Streets and Highways Code and for operating transfers from other funds which are used for the same purposes. State subventions are restricted to uses related to local streets and highways, acquisitions of real property, construction and improvements, and maintenance and repairs.

Convention Facilities Fund—Accounts for operating transfers from the Hotel Tax Fund and for operating revenues of the convention facilities: Moscone Center, Brooks Hall and the Civic Auditorium. In addition to transfers for lease payments of the Moscone Center, this fund provides for operating costs of the various convention facilities and the San Francisco Convention and Visitors Bureau.

Open Space and Park Fund—Accounts for property tax revenues designated by Charter provision, interest earnings and miscellaneous service charges and gifts. Monies in this fund must be used for acquisition and development of parks and open space parcels in designated areas or for renovation of existing parks and recreation facilities.

Community Development Fund—Accounts for federally funded grants from the Department of Housing and Urban Development to provide for community development of rundown areas; to promote new housing, child care centers and public recreation areas; to provide a variety of social programs for the underprivileged; and provide loans for various community development activities.

Senior Citizens' Programs Fund—Accounts for revenues from the allocation of one-fourth of the parking tax receipts and for grants from the state to be used to promote the well-being of San Francisco senior citizens.

Candlestick Park Fund—Accounts for operating transfers from the Hotel Tax Fund and for revenues generated by operations at Candlestick Park used for certain operating costs and project expenditures.

Special Recreation and Park Revenue Fund—Accounts for revenues received from lease of all Recreation and Park Department facilities and from other uses of Department property with revenues used for certain specified operating costs.

San Francisco County Transportation Authority Fund—Accounts for the proceeds of a one-half of one percent increase in local sales tax authorized by the voters for mass transit and other traffic and transportation purposes effective January 1, 1990.

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS—(Continued)

Building Inspection Fund—Accounts for the revenues and expenditures of the Bureau of Building Inspection which provides enforcement and implementation of laws regulating the use, occupancy, location and maintenance of buildings.

Health and Human Services Fund—Accounts for grants from the Department of Health and Human Services in the areas of health, education and welfare.

Off-Street Parking Fund—Accounts for parking meter revenues and expenditures for off-street parking purposes including administration, maintenance and operation of neighborhood parking lots and garages.

Department of Transportation Fund—Accounts for various pass-through grants from Federal Aid Urban funds for the renovation of City streets. Initially the fund accounted for projects under the five-year Federal Aid Urban Systems Program; currently the fund accounts for earthquake related grants for similar uses.

Department of Health Fund—Accounts for various state grants used to promote public health and mental health programs.

Miscellaneous Federal Grant Funds—Accounts for various grants from the Federal government used or expended for a specific purpose, activity or facility. Included in this group are seven funds which represent 1.7% of the combined revenues of the Special Revenue Funds. The largest of this group is 1.2% of the total.

Miscellaneous State Grant Funds—Accounts for various grants from the State of California used or expended for a specific purpose, activity or facility. Included in this group are seventeen funds which represent 4.8% of the combined revenues of the Special Revenue Funds. The largest of this group is 1.6% of the total.

Other Special Revenue Funds—Accounts for the activities of seventy-three non-grant Special Revenue Funds, generally established by administrative action, which include 11.8% of the combined revenues of the Special Revenue Funds. The largest fund in this group is 1.2% of the total. Most of these funds are not budgeted annually because the revenue source is not certain as of the beginning of the fiscal year, or because departments have limited expenditure authority for specific revenue sources.

The fourteen funds which do have annual budgets are:

1. Animal Control and Welfare Fund
2. Cable Television Access Development Fund
3. Rent Arbitration Board Fund
4. Representative Payee Program Fund
5. Marina Yacht Harbor Fund
6. War Memorial Special Fund
7. Museums Admissions Fund
8. Street Artist Program Fund
9. Market Street Art Maintenance Fund
10. Youth Arts Fund
11. Sheriff's Special Maintenance Fund
12. Domestic Violence Program Fund
13. Automated Traffic Warrant Fund
14. State Authorized Special Revenue Fund

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Combining Balance Sheet

June 30, 1990

With comparative totals as of June 30, 1989

(In Thousands)

ASSETS

	Hotel Tax Fund	Gasoline Tax Fund	Convention Facilities Fund	Open Space and Park Fund	Community Develop- ment Fund	Senior Citizens' Programs Fund	Candlestick Park Fund	Special Recreation and Park Revenue Fund	San Franci- sco County Transportal Authority Fund
Deposits and investments	\$ —	\$16,169	\$11,307	\$26,343	\$ 1,955	\$ 717	\$2,819	\$2,808	\$2,856
Investments with trustee	—	—	—	—	1,922	—	—	—	—
Receivables (net of allowance for uncollectible amounts of \$206 in 1990):									
Property taxes and penalties	—	—	—	972	—	—	—	—	—
Other local taxes	12,749	—	—	—	—	1,331	—	—	2,861
Federal and state grants and subventions	—	—	—	—	4,332	125	—	—	—
Interest and other	—	275	7	547	87	19	444	482	—
Interfund receivables	—	4	7,590	188	549	20	1,195	962	—
Loans receivable	—	—	812	—	30,163	—	—	—	—
Inventories	—	—	—	—	—	—	—	17	—
Deferred charges and other assets	—	—	—	—	1,136	188	—	—	—
Total assets	<u>\$12,749</u>	<u>\$16,448</u>	<u>\$19,716</u>	<u>\$28,050</u>	<u>\$40,144</u>	<u>\$2,400</u>	<u>\$4,458</u>	<u>\$4,269</u>	<u>\$5,717</u>

LIABILITIES

Accounts payable	\$ 981	\$ 162	\$ 560	\$ 156	\$ 1,470	\$ 348	\$ 76	\$ 563	\$ 72
Accrued payroll	10	—	26	363	167	49	51	4	—
Estimated claims liability	—	—	—	—	—	—	—	—	—
Deferred tax, grant and subvention revenues	—	—	—	—	2,815	—	—	—	—
Interfund payables	10,817	2,489	293	2,186	35	12	478	1,802	155
Deferred credits and other liabilities	—	—	1,400	865	30,272	—	—	681	—
Total liabilities	<u>11,808</u>	<u>2,651</u>	<u>2,279</u>	<u>3,570</u>	<u>34,759</u>	<u>409</u>	<u>605</u>	<u>3,050</u>	<u>227</u>

FUND EQUITY

Fund balances									
Reserved for inventory type assets not available for appropriation	—	—	812	—	2,949	—	—	—	—
Reserved for encumbrances	453	751	2,974	474	—	753	60	285	—
Reserved for appropriation carryforward	487	6,582	9,985	17,092	1,165	665	1,201	23	167
Unreserved—undesignated	1	6,464	3,666	6,914	1,271	573	2,592	911	5,323
Total fund equity	<u>941</u>	<u>13,797</u>	<u>17,437</u>	<u>24,480</u>	<u>5,385</u>	<u>1,991</u>	<u>3,853</u>	<u>1,219</u>	<u>5,490</u>
Total liabilities and fund equity	<u>\$12,749</u>	<u>\$16,448</u>	<u>\$19,716</u>	<u>\$28,050</u>	<u>\$40,144</u>	<u>\$2,400</u>	<u>\$4,458</u>	<u>\$4,269</u>	<u>\$5,717</u>

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Combining Balance Sheet—(Continued)
 June 30, 1990
 With comparative totals as of June 30, 1989

(In Thousands)

ASSETS

Building Inspection Fund	Health and Human Services Fund	Off- Street Parking Fund	Depart- ment of Transportation Fund	Depart- ment of Health Fund	Miscel- laneous Federal Grant Funds	Miscel- laneous State Grant Funds	Other Special Revenue Funds	Total		
								1990	1989	
\$4,590	\$ —	\$19,949	\$ —	\$3,901	\$ 210	\$2,463	\$ 5,356	\$101,443	\$101,358	Deposits and investments
—	—	—	—	—	—	—	—	1,922	1,677	Investments with trustee
—	—	—	—	—	—	—	—	972	2,167	Receivables (net of allowance for uncollectible amounts of \$206 in 1990):
—	—	—	—	—	—	—	—	16,941	12,744	Property taxes and penalties
159	2,595	—	3,322	114	496	3,759	20	14,922	16,452	Other local taxes
98	—	6	—	206	—	—	803	2,974	1,853	Federal and state grants and subventions
207	1,380	500	—	1,653	575	99	42,967	57,889	43,400	Interest and other
—	—	—	—	—	—	—	—	30,975	29,650	Interfund receivables
—	—	—	—	—	1	—	4	22	20	Loans receivable
—	220	—	—	—	178	253	3,682	5,657	11,831	Inventories
\$5,054	\$4,195	\$20,455	\$3,322	\$5,874	\$1,460	\$6,574	\$52,832	\$233,717	\$221,152	Deferred charges and other assets
										Total assets

LIABILITIES

\$ 46	\$ 965	\$ 25	\$ —	\$ 545	\$ 127	\$ 268	\$ 4,951	\$ 11,315	\$ 8,403	Accounts payable
—	320	30	—	217	8	156	7,711	9,112	8,199	Accrued payroll
—	—	—	—	—	—	—	—	—	1,661	Estimated claims liability
—	—	—	—	3,136	175	1,068	—	7,194	10,042	Deferred tax, grant and subvention revenues
1,547	2,910	1,829	3,322	1,976	972	4,739	7,830	43,392	36,408	Interfund payables
—	—	786	—	—	178	343	4,398	38,923	37,882	Deferred credits and other liabilities
1,593	4,195	2,670	3,322	5,874	1,460	6,574	24,890	109,936	102,595	Total liabilities

FUND EQUITY

—	—	—	—	—	—	—	257	4,018	2,451	Fund balances:
185	—	286	—	—	—	—	2,009	8,230	9,349	Reserved for inventory type assets not available for appropriation
63	—	11,672	—	—	—	—	13,578	62,680	66,298	Reserved for encumbrances
3,213	—	5,827	—	—	—	—	12,098	48,853	40,459	Reserved for appropriation carryforward
3,461	—	17,785	—	—	—	—	27,942	123,781	118,557	Unreserved—undesignated
\$5,054	\$4,195	\$20,455	\$3,322	\$5,874	\$1,460	\$6,574	\$52,832	\$233,717	\$221,152	Total fund equity
										Total liabilities and fund equity

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Year ended June 30, 1990

With comparative totals for the year ended June 30, 1989

(In Thousands)

	Hotel Tax Fund	Gasoline Tax Fund	Convention Facilities Fund	Open Space and Park Funds	Community Develop- ment Fund	Senior Citizens' Programs Fund	Candlestick Park Fund	Special Recreation and Park Revenue Fund	San Fran- cisco County Transportal Authority Fund
Revenues									
Property taxes	\$ —	\$ —	\$ —	\$11,915	\$ —	\$ —	\$ —	\$ —	\$ —
Other local taxes	46,115	—	—	—	—	5,700	1,115	—	5,701
Grants and subventions	—	15,362	—	171	16,633	4,064	—	66	—
Licenses, fines and penalties	—	167	—	—	—	—	—	—	—
Interest and investment earnings	—	1,048	—	2,068	1,620	54	—	6	—
Charges for services	—	224	5,458	—	14	—	6,709	13,997	—
Other	—	—	—	—	42	—	514	697	—
Total revenues	46,115	16,801	5,458	14,154	18,309	9,818	8,338	14,766	5,701
Expenditures:									
Public protection	—	—	—	—	—	—	—	—	—
Public works, transportation and commerce	—	24,826	—	—	—	—	—	—	—
Human welfare and neighborhood development	—	—	—	—	17,525	10,954	—	—	—
Community health	—	—	—	—	—	—	—	—	—
Culture and recreation	137	—	14,143	17,309	—	—	6,077	7,828	—
General administration and finance	8,964	—	2,401	—	—	—	—	—	211
Total expenditures	9,101	24,826	16,544	17,309	17,525	10,954	6,077	7,828	211
Excess (deficiency) of revenues over (under) expenditures	37,014	(8,025)	(11,086)	(3,155)	784	(1,136)	2,261	6,938	5,490
Other financing sources (uses):									
Operating transfers in	—	7,260	26,892	—	—	560	2,873	592	—
Operating transfers out	(37,425)	(344)	(17,076)	(1,598)	(7)	(818)	(4,200)	(7,975)	—
	(37,425)	6,916	9,816	(1,598)	(7)	(258)	(1,327)	(7,383)	—
Excess (deficiency) of reve- nues and other sources over (under) expenditures and other uses	(411)	(1,109)	(1,270)	(4,753)	777	(1,394)	934	(445)	5,490
Fund balances at beginning of year	1,352	14,906	17,896	29,233	3,602	3,385	2,919	1,664	—
Net change in reserve for assets not available for appropriation	—	—	811	—	1,006	—	—	—	—
Fund balances at end of year	\$ 941	\$13,797	\$ 17,437	\$24,480	\$ 5,385	\$ 1,991	\$ 3,853	\$ 1,219	\$5,490

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Combining Statement of Revenues, Expenditures and Changes in Fund Balances—(Continued)

Year ended June 30, 1990

With comparative totals for the year ended June 30, 1989

(In Thousands)

Building Inspection Fund	Health and Human Services Fund	Off- Street Parking Fund	Depart- ment of Transporta- tion Fund	Depart- ment of Health Fund	Miscel- laneous Federal Grant Funds	Miscel- laneous State Grant Funds	Other Special Revenue Funds	Total	
								1990	1989
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 11,915	\$ 10,732
							95	58,726	55,658
1,199	14,394	—	3,322	17,040	3,983	11,299	2,307	89,840	62,285
2,434	—	—	—	—	—	—	839	3,440	3,175
345	—	1,721	—	511	—	—	374	7,747	6,715
11,892	—	727	—	—	—	—	23,344	62,365	54,143
—	—	—	—	—	—	—	938	2,191	2,980
<u>15,870</u>	<u>14,394</u>	<u>2,448</u>	<u>3,322</u>	<u>17,551</u>	<u>3,983</u>	<u>11,299</u>	<u>27,897</u>	<u>236,224</u>	<u>195,688</u>
Revenues:									
Property taxes									
Other local taxes									
Grants and subventions									
Licenses, fines and penalties									
Interest and investment earnings									
Charges for services									
Other									
Total revenues									
—	—	2	—	—	—	3,194	4,571	7,767	6,026
14,649	—	8,065	—	—	58	—	4,180	51,778	43,495
—	—	—	—	—	—	16	1,409	29,904	28,875
—	14,080	—	—	11,690	335	300	1,480	27,885	18,149
—	—	—	—	—	79	478	8,166	54,217	42,735
—	—	11	—	—	4,064	1,708	4,783	22,142	23,988
<u>14,649</u>	<u>14,080</u>	<u>8,078</u>	<u>—</u>	<u>11,690</u>	<u>4,536</u>	<u>5,696</u>	<u>24,589</u>	<u>193,693</u>	<u>163,268</u>
Expenditures:									
Public protection									
Public works, transportation and commerce									
Human welfare and neighborhood development									
Community health									
Culture and recreation									
General administration and finance									
Total expenditures									
Excess (deficiency) of revenues over (under) expenditures									
<u>1,221</u>	<u>314</u>	<u>(5,630)</u>	<u>3,322</u>	<u>5,861</u>	<u>(553)</u>	<u>5,603</u>	<u>3,308</u>	<u>42,531</u>	<u>32,420</u>
Other financing sources (uses):									
—	—	5,131	—	15	583	201	4,611	14,294 *	11,768
—	(314)	(836)	(3,322)	(5,876)	(30)	(5,804)	(1,033)	(52,234) *	(42,771)
—	(314)	4,295	(3,322)	(5,861)	553	(5,603)	3,578	(37,940)	(31,003)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses									
1,221	—	(1,335)	—	—	—	—	6,886	4,591	1,417
2,240	—	19,120	—	—	—	—	22,240	118,557	118,196
—	—	—	—	—	—	—	(1,184)	633	(1,056)
<u>33,461</u>	<u>\$ —</u>	<u>\$17,785</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$27,942</u>	<u>\$123,781</u>	<u>\$118,557</u>
Fund balances at beginning of year									
Net change in reserve for assets not available for appropriation									
Fund balances at end of year									

* Net of \$34,424 of intrafund eliminations.

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Schedule of Revenues, Expenditures and Other Financing Sources (Uses)—
Individual Fund Groupings

Year ended June 30, 1990

(In Thousands)

Fund	Revenues	Expenditures	Other Financing Sources (Uses)	Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses
MISCELLANEOUS FEDERAL GRANT FUNDS				
Department of Agriculture	\$ 614	\$ 592	\$ (22)	\$ —
Department of Commerce	7	7	—	—
Department of Interior	68	643	575	—
Department of Health and Human Services	474	474	—	—
Department of Transportation	22	22	—	—
Department of Housing and Urban Development	2,772	2,772	—	—
Federal Emergency Management Agency	26	26	—	—
	<u>\$ 3,983</u>	<u>\$ 4,536</u>	<u>\$ 553</u>	<u>\$ —</u>
MISCELLANEOUS STATE GRANT FUNDS				
Department of Criminal Justice	\$ 1,995	\$ 2,195	\$ 200	\$ —
California Board of Correction	352	352	—	—
Office of Alcoholism	143	143	—	—
Department of Education	120	120	—	—
Department of Parks and Recreation	2,185	76	(2,109)	—
Department of Health	400	400	—	—
California Arts Council	1	1	—	—
California Secretary of Environmental Affairs	84	84	—	—
California Department of Business and Transportation	21	21	—	—
California Public Libraries Services	409	409	—	—
State Board of Control	133	133	—	—
California State Youth Authority	1,585	1,585	—	—
California Coastal Commission	2	2	—	—
California Park and Recreation Historic Reservation	16	16	—	—
Department of Forestry	1	—	(1)	—
State Housing and Community Development	159	159	—	—
Department of Boating and Waterways	3,693	—	(3,693)	—
	<u>\$11,299</u>	<u>\$ 5,696</u>	<u>\$ (5,603)</u>	<u>\$ —</u>

(Continued)

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Schedule of Revenues, Expenditures and Other Financing Sources (Uses)—
Individual Fund Groupings—(Continued)

Year ended June 30, 1990

(In Thousands)

<u>Fund</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Other Financing Sources (Uses)</u>	<u>Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses</u>
OTHER SPECIAL REVENUE FUNDS				
Animal Control and Welfare	\$ 183	\$ —	\$ (75)	\$ 108
DPW Strong Motion (Seismic)	46	8	—	38
DPW Excavation Deposits	351	446	—	(95)
DPW Subdivision Map Review	474	385	—	89
DPW Special Engineering Inspection	447	518	—	(71)
Downtown Park	1,035	—	—	1,035
Defective Sidewalk Repair	3	—	—	3
DPW Building Repairs and Demolitions	357	121	—	236
County Fair	111	73	—	38
Special Animal Purchase and Exchange	33	—	—	33
Off Highway Vehicle	23	—	—	23
Marina Yacht Harbor	1,341	1,058	(106)	177
War Memorial Special	1,227	4,943	4,467	751
War Memorial Reserve	220	225	(40)	(45)
DPW Engineer Services	2	3	—	(1)
Health Service System	458	316	—	142
Tenants' Overtime Services	203	208	—	(5)
Museums Admissions	1,006	984	—	22
Performing Arts	497	526	—	(29)
Street Artist Program	100	129	—	(29)
Film Production Permit	67	31	—	36
Library Publication	6	—	—	6
Library Special Collection	174	127	—	47
Purchaser's Publication	22	24	—	(2)
Fish and Game Propagation	1	—	—	1
Department of Electricity Custom Work	5	22	—	(17)
DPW Construction Inspection	176	273	—	(97)
Services for Outside Agencies	118	48	—	70
Real Property General	125	—	—	125
Real Estate	170	480	—	(310)
Special Law Enforcement	1,405	1,328	—	77
Cable Television Access Development	95	76	—	19
Agricultural Weights and Measures	16	19	—	(3)
Street Lighting Advance Payments	137	86	—	51
Driver Laboratory Test Costs	64	—	—	64

(Continued)

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Schedule of Revenues, Expenditures and Other Financing Sources (Uses)—
Individual Fund Groupings—(Continued)

Year ended June 30, 1990

(In Thousands)

Fund	Revenues	Expenditures	Other Financing Sources (Uses)	Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses
OTHER SPECIAL REVENUE FUNDS—Continued				
Police Peace Officer Training	\$ 504	\$ 473	\$ —	\$ 31
Sheriff's Peace Officer Training	75	177	—	(102)
Sheriff's Special Maintenance	72	—	(98)	(26)
Sheriff's Inmate Program	382	288	—	94
Domestic Violence Program	152	161	—	(9)
State Authorized Special Revenue	1,141	437	(6)	698
DPW Utilities Construction	164	17	—	147
Light, Heat and Power	—	161	—	(161)
Narcotics Forfeiture	1,079	1,007	(36)	36
Development Agreement	517	331	—	186
DPW Delinquent Refuse Collection	1,628	1,571	—	57
DPW Side Sewer Installation	1	—	—	1
Affordable Housing	1,530	200	—	1,330
Affordable Child Care	153	—	—	153
Social Service Children's Program	173	193	—	(20)
Automated Warrant System	62	—	—	62
Dispute Resolution Program	239	204	—	35
Public Utilities Commission	14	27	(11)	(24)
Work Order Services	—	1,338	(84)	(1,422)
Courthouse Construction	1,160	9	6	1,157
DPW Departmental Stores	—	62	—	(62)
Stores Inventory	—	88	(173)	(261)
DPW Interdepartmental Service	—	747	—	(747)
DPW Administration Overhead	2	—	—	2
DPW Telecommunications	330	—	—	330
DPW Personnel	6	—	—	6
DPW Bureau Overhead	2,468	—	—	2,468
Representative Payee Program	242	56	(261)	(75)
Police Crime Laboratory	3	—	—	3
DPW Work Order Stores	—	11	—	(11)
Civil Service	2	1	—	1
Youth Arts	83	—	—	83
Market Street Art Maintenance	51	—	—	51
Workers' Compensation	870	716	—	154
Vital and Health Statistics	7	—	—	7
DPW Underground Source	—	—	(5)	(5)
Rent Arbitration Board	1,271	1,039	—	232
School Deposits	2,818	2,818	—	—
	<u>\$27,897</u>	<u>\$24,589</u>	<u>\$ 3,578</u>	<u>\$ 6,886</u>

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Combining Schedule of Revenues, Expenditures,
Encumbrances and Changes in Fund Balances—
Budget and Actual—Budget Basis

Year ended June 30, 1990

(In Thousands)

	Hotel Tax Fund			Gasoline Tax Fund		
	Revised Budget	Actual	Variance- Favorable (Unfavorable)	Revised Budget	Actual	Variance- Favorable (Unfavorable)
Revenues:						
Property taxes	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Other local taxes	50,700	46,120	(4,580)	—	—	—
Grants and subventions	—	—	—	15,010	14,756	(254)
Licenses, fines and penalties	—	—	—	225	168	(57)
Interest and investment earnings	—	—	—	1,300	1,048	(252)
Charges for services	—	—	—	205	224	19
Other	—	—	—	—	—	—
Total revenues	<u>50,700</u>	<u>46,120</u>	<u>(4,580)</u>	<u>16,740</u>	<u>16,196</u>	<u>(544)</u>
Expenditures and encumbrances:						
Public protection	—	—	—	—	—	—
Public works, transportation and commerce	—	—	—	25,225	25,017	208
Human welfare and neighborhood development	—	—	—	—	—	—
Community health	—	—	—	—	—	—
Culture and recreation	136	136	—	—	—	—
General administration and finance	8,277	8,260	17	—	—	—
Total expenditures and encumbrances	<u>8,413</u>	<u>8,396</u>	<u>17</u>	<u>25,225</u>	<u>25,017</u>	<u>208</u>
Excess (deficiency) of revenues over (under) expenditures and encumbrances	<u>42,287</u>	<u>37,724</u>	<u>(4,563)</u>	<u>(8,485)</u>	<u>(8,821)</u>	<u>(336)</u>
Other financing sources (uses):						
Operating transfers in	—	—	—	7,864	7,864	—
Operating transfers out	(41,984)	(37,424)	4,560	(844)	(343)	501
	<u>(41,984)</u>	<u>(37,424)</u>	<u>4,560</u>	<u>7,020</u>	<u>7,521</u>	<u>501</u>
Excess (deficiency) of revenues and other sources over (under) expenditures, encumbrances and other uses	303	300	(3)	(1,465)	(1,300)	165
Fund balances at beginning of year	184	184	—	13,479	13,479	—
Amounts budgeted in prior years	—	4	4	—	378	378
Fund balances at end of year	<u>\$ 487</u>	<u>\$ 488</u>	<u>\$ 1</u>	<u>\$12,014</u>	<u>\$12,557</u>	<u>\$ 543</u>

(Continued)

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Combining Schedule of Revenues, Expenditures,
Encumbrances and Changes in Fund Balances—
Budget and Actual—Budget Basis—(Continued)

Year ended June 30, 1990

(In Thousands)

	Convention Facilities Fund			Open Space and Park Fund		
	Revised Budget	Actual	Variance- Favorable (Unfavorable)	Revised Budget	Actual	Variance- Favorable (Unfavorable)
Revenues:						
Property taxes	\$ —	\$ —	\$ —	\$11,799	\$12,042	\$ 243
Other local taxes	—	—	—	—	—	—
Grants and subventions	—	—	—	170	171	1
Licenses, fines and penalties	—	—	—	—	—	—
Interest and investment earnings	—	—	—	1,500	2,074	574
Charges for services	5,572	5,320	(252)	—	—	—
Other	—	—	—	—	—	—
Total revenues	<u>5,572</u>	<u>5,320</u>	<u>(252)</u>	<u>13,469</u>	<u>14,287</u>	<u>818</u>
Expenditures and encumbrances:						
Public protection	—	—	—	—	—	—
Public works, transportation and commerce	—	—	—	—	—	—
Human welfare and neighborhood development	—	—	—	—	—	—
Community health	—	—	—	—	—	—
Culture and recreation	16,301	13,845	2,456	17,622	17,278	344
General administration and finance	2,183	2,183	—	—	—	—
Total expenditures and encumbrances ..	<u>18,484</u>	<u>16,028</u>	<u>2,456</u>	<u>17,622</u>	<u>17,278</u>	<u>344</u>
Excess (deficiency) of revenues over (under) expenditures and encumbrances	<u>(12,912)</u>	<u>(10,708)</u>	<u>2,204</u>	<u>(4,153)</u>	<u>(2,991)</u>	<u>1,162</u>
Other financing sources (uses):						
Operating transfers in	29,563	26,893	(2,670)	—	—	—
Operating transfers out	<u>(17,077)</u>	<u>(17,077)</u>	<u>—</u>	<u>(1,601)</u>	<u>(1,598)</u>	<u>3</u>
	<u>12,486</u>	<u>9,816</u>	<u>(2,670)</u>	<u>(1,601)</u>	<u>(1,598)</u>	<u>3</u>
Excess (deficiency) of revenues and other sources over (under) expenditures, encumbrances and other uses	<u>(426)</u>	<u>(892)</u>	<u>(466)</u>	<u>(5,754)</u>	<u>(4,589)</u>	<u>1,165</u>
Fund balances at beginning of year	14,376	14,376	—	28,717	28,717	—
Amounts budgeted in prior years	—	167	167	—	(122)	(122)
Fund balances at end of year	<u>\$ 13,950</u>	<u>\$ 13,651</u>	<u>\$ (299)</u>	<u>\$22,963</u>	<u>\$24,006</u>	<u>\$1,043</u>

(Continued)

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Combining Schedule of Revenues, Expenditures,
Encumbrances and Changes in Fund Balances—
Budget and Actual—Budget Basis—(Continued)

Year ended June 30, 1990

(In Thousands)

	Senior Citizens' Programs Fund			Candlestick Park Fund		
	Revised Budget	Actual	Variance- Favorable (Unfavorable)	Revised Budget	Actual	Variance- Favorable (Unfavorable)
Revenues:						
Property taxes	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Other local taxes	6,000	5,700	(300)	955	1,115	160
Grants and subventions	4,552	4,400	(152)	—	—	—
Licenses, fines and penalties	—	—	—	—	—	—
Interest and investment earnings	300	54	(246)	—	—	—
Charges for services	—	—	—	6,006	5,899	(107)
Other	—	—	—	—	514	514
Total revenues	<u>10,852</u>	<u>10,154</u>	<u>(698)</u>	<u>6,961</u>	<u>7,528</u>	<u>567</u>
Expenditures and encumbrances:						
Public protection	—	—	—	—	—	—
Public works, transportation and commerce	—	—	—	—	—	—
Human welfare and neighborhood development ..	11,185	11,175	10	—	—	—
Community health	—	—	—	—	—	—
Culture and recreation	—	—	—	6,471	5,954	517
General administration and finance	—	—	—	—	—	—
Total expenditures and encumbrances	<u>11,185</u>	<u>11,175</u>	<u>10</u>	<u>6,471</u>	<u>5,954</u>	<u>517</u>
Excess (deficiency) of revenues over (under) expenditures and encumbrances	<u>(333)</u>	<u>(1,021)</u>	<u>(688)</u>	<u>490</u>	<u>1,574</u>	<u>1,084</u>
Other financing sources (uses):						
Operating transfers in	112	112	—	3,159	2,873	(286)
Operating transfers out	<u>(370)</u>	<u>(370)</u>	—	<u>(4,200)</u>	<u>(4,200)</u>	—
	<u>(258)</u>	<u>(258)</u>	—	<u>(1,041)</u>	<u>(1,327)</u>	<u>(286)</u>
Excess (deficiency) of revenues and other sources over (under) expenditures, encumbrances and other uses	<u>(591)</u>	<u>(1,279)</u>	<u>(688)</u>	<u>(551)</u>	<u>247</u>	<u>798</u>
Fund balances at beginning of year	2,966	2,966	—	2,671	2,671	—
Amounts budgeted in prior years	—	—	—	—	876	876
Fund balances at end of year	<u>\$2,375</u>	<u>\$1,687</u>	<u>\$(688)</u>	<u>\$ 2,120</u>	<u>\$ 3,794</u>	<u>\$1,674</u>

(Continued)

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Combining Schedule of Revenues, Expenditures,
Encumbrances and Changes in Fund Balances—
Budget and Actual—Budget Basis—(Continued)

Year ended June 30, 1990

(In Thousands)

	Special Recreation and Park Revenue Fund			Building Inspection Fund		
	Revised Budget	Actual	Variance— Favorable (Unfavorable)	Revised Budget	Actual	Variance— Favorable (Unfavorable)
Revenues:						
Property taxes	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Other local taxes	—	—	—	—	—	—
Grants and subventions	—	65	65	—	352	352
Licenses, fines and penalties	—	—	—	2,953	2,435	(518)
Interest and investment earnings	—	6	6	—	345	345
Charges for services	15,767	14,316	(1,451)	12,195	11,944	(251)
Other	—	693	693	—	—	—
Total revenues	15,767	15,080	(687)	15,148	15,076	(72)
Expenditures and encumbrances:						
Public protection	—	—	—	—	—	—
Public works, transportation and commerce	—	—	—	15,987	14,747	1,240
Human welfare and neighborhood development	—	—	—	—	—	—
Community health	—	—	—	—	—	—
Culture and recreation	9,355	9,345	10	—	—	—
General administration and finance	—	—	—	—	—	—
Total expenditures and encumbrances	9,355	9,345	10	15,987	14,747	1,240
Excess (deficiency) of revenues over (under) expenditures and encumbrances	6,412	5,735	(677)	(839)	329	1,168
Other financing sources (uses):						
Operating transfers in	3	—	(3)	847	847	—
Operating transfers out	(7,975)	(7,975)	—	—	—	—
	(7,972)	(7,975)	(3)	847	847	—
Excess (deficiency) of revenues and other sources over (under) expenditures, encumbrances and other uses	(1,560)	(2,240)	(680)	8	1,176	1,168
Fund balances at beginning of year	2,648	2,648	—	2,124	2,124	—
Amounts budgeted in prior years	—	514	514	—	(23)	(23)
Fund balances at end of year	\$ 1,088	\$ 922	\$ (166)	\$ 2,132	\$ 3,277	\$ 1,145

(Continued)

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Combining Schedule of Revenues, Expenditures,
Encumbrances and Changes in Fund Balances—
Budget and Actual—Budget Basis—(Continued)

Year ended June 30, 1990

(In Thousands)

	Off-Street Parking Fund			Other Special Revenue Funds		
	Revised Budget	Actual	Variance- Favorable (Unfavorable)	Revised Budget	Actual	Variance- Favorable (Unfavorable)
Revenues:						
Property taxes	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Other local taxes	—	—	—	102	88	(14)
Grants and subventions	—	—	—	153	500	347
Licenses, fines and penalties	—	—	—	399	353	(46)
Interest and investment earnings	1,411	1,720	309	67	70	3
Charges for services	1,669	728	(941)	6,229	5,806	(423)
Other	—	—	—	175	202	27
Total revenues	<u>3,080</u>	<u>2,448</u>	<u>(632)</u>	<u>7,125</u>	<u>7,019</u>	<u>(106)</u>
Expenditures and encumbrances:						
Public protection	—	—	—	96	45	51
Public works, transportation and commerce	7,637	7,251	386	146	146	—
Human welfare and neighborhood development	—	—	—	1,398	1,231	167
Community health	—	—	—	19	19	—
Culture and recreation	—	—	—	7,459	6,997	462
General administration and finance	11	11	—	747	688	59
Total expenditures and encumbrances	<u>7,648</u>	<u>7,262</u>	<u>386</u>	<u>9,865</u>	<u>9,126</u>	<u>739</u>
Excess (deficiency) of revenues over (under) expenditures and encumbrances	<u>(4,568)</u>	<u>(4,814)</u>	<u>(246)</u>	<u>(2,740)</u>	<u>(2,107)</u>	<u>633</u>
Other financing sources (uses):						
Operating transfers in	5,131	5,131	—	5,070	4,611	(459)
Operating transfers out	(836)	(836)	—	(1,045)	(691)	354
	<u>4,295</u>	<u>4,295</u>	<u>—</u>	<u>4,025</u>	<u>3,920</u>	<u>(105)</u>
Excess (deficiency) of revenues and other sources over (under) expenditures, encumbrances and other uses	<u>(273)</u>	<u>(519)</u>	<u>(246)</u>	<u>1,285</u>	<u>1,813</u>	<u>528</u>
Fund balances at beginning of year	17,783	17,783	—	4,921	4,921	—
Amounts budgeted in prior years	—	234	234	—	—	—
Fund balances at end of year	<u>\$17,510</u>	<u>\$17,498</u>	<u>\$ (12)</u>	<u>\$ 6,206</u>	<u>\$ 6,734</u>	<u>\$ 528</u>

(Continued)

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Combining Schedule of Revenues, Expenditures,
Encumbrances and Changes in Fund Balances—
Budget and Actual—Budget Basis—(Continued)

Year ended June 30, 1990

(In Thousands)

	Total—Annually Budgeted Funds		
	Revised Budget	Actual	Variance— Favorable (Unfavorable)
Revenues:			
Property taxes	\$ 11,799	\$ 12,042	\$ 243
Other local taxes	57,757	53,023	(4,734)
Grants and subventions	19,885	20,244	359
Licenses, fines and penalties	3,577	2,956	(621)
Interest and investment earnings	4,578	5,317	739
Charges for services	47,643	44,237	(3,406)
Other	175	1,409	1,234
Total revenues	<u>145,414</u>	<u>139,228</u>	<u>(6,186)</u>
Expenditures and encumbrances:			
Public protection	96	45	51
Public works, transportation and commerce	48,995	47,161	1,834
Human welfare and neighborhood development	12,583	12,406	177
Community health	19	19	—
Culture and recreation	57,344	53,555	3,789
General administration and finance	11,218	11,142	76
Total expenditures and encumbrances	<u>130,255</u>	<u>124,328</u>	<u>5,927</u>
Excess (deficiency) of revenues over (under) expenditures and encumbrances	<u>15,159</u>	<u>14,900</u>	<u>(259)</u>
Other financing sources (uses):			
Operating transfers in	51,749	48,331	(3,418)
Operating transfers out	<u>(75,932)</u>	<u>(70,514)</u>	<u>5,418</u>
	<u>(24,183)</u>	<u>(22,183)</u>	<u>2,000</u>
Excess (deficiency) of revenues and other sources over (under) expenditures, encumbrances and other uses	(9,024)	(7,283)	1,741
Fund balances at beginning of year	89,869	89,869	—
Amounts budgeted in prior years	—	2,028	2,028
Fund balances at end of year	<u>\$ 80,845</u>	<u>\$ 84,614</u>	<u>\$ 3,769</u>

CITY AND COUNTY OF SAN FRANCISCO
SPECIAL REVENUE FUNDS

Schedule of Other Special Revenue Funds
Budget and Actual—Budget Basis

Year ended June 30, 1990

(In Thousands)

<u>Fund</u>	<u>Revenues</u>	<u>Expenditures and Encumbrances</u>	<u>Other Financing Sources (Uses)</u>	<u>Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses</u>
ANIMAL CONTROL AND WELFARE FUND				
Revised budget	\$ 75	\$ —	\$ (75)	\$ —
Actual	183	—	(75)	108
Variance—favorable / (unfavorable)	108	—	—	108
CABLE TELEVISION ACCESS DEVELOPMENT FUND				
Revised budget	102	126	—	(24)
Actual	88	69	—	19
Variance—favorable / (unfavorable)	(14)	57	—	43
RENT ARBITRATION BOARD FUND				
Revised budget	1,490	1,237	—	253
Actual	1,272	1,070	—	202
Variance—favorable / (unfavorable)	(218)	167	—	(51)
REPRESENTATIVE PAYEE PROGRAM FUND				
Revised budget	299	97	(288)	(86)
Actual	242	45	(262)	(65)
Variance—favorable / (unfavorable)	(57)	52	26	21
MARINA YACHT HARBOR FUND				
Revised budget	1,278	1,119	(106)	53
Actual	1,341	982	(106)	253
Variance—favorable / (unfavorable)	63	137	—	200
WAR MEMORIAL SPECIAL FUND				
Revised budget	1,227	5,367	4,926	786
Actual	1,227	5,081	4,467	613
Variance—favorable / (unfavorable)	—	286	(459)	(173)
MUSEUMS ADMISSIONS FUND				
Revised budget	962	999	—	(37)
Actual	1,006	965	—	41
Variance—favorable / (unfavorable)	44	34	—	78
STREET ARTIST PROGRAM FUND				
Revised budget	112	135	—	(23)
Actual	100	129	—	(29)
Variance—favorable / (unfavorable)	(12)	6	—	(6)
MARKET STREET ART MAINTENANCE FUND				
Revised budget	—	—	—	—
Actual	51	—	—	51
Variance—favorable / (unfavorable)	51	—	—	51
YOUTH ARTS FUND				
Revised budget	83	—	—	83
Actual	83	—	—	83
Variance—favorable / (unfavorable)	—	—	—	—
SHERIFF'S SPECIAL MAINTENANCE FUND				
Revised budget	383	—	(383)	—
Actual	72	—	(98)	(26)
Variance—favorable / (unfavorable)	(311)	—	285	(26)

(Continued)

CITY AND COUNTY OF SAN FRANCISCO
SPECIAL REVENUE FUNDS
Schedule of Other Special Revenue Funds
Budget and Actual—Budget Basis—(Continued)

Year ended June 30, 1990

(In Thousands)

<u>Fund</u>	<u>Revenues</u>	<u>Expenditures and Encumbrances</u>	<u>Other Financing Sources (Uses)</u>	<u>Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses</u>
DOMESTIC VIOLENCE PROGRAM FUND				
Revised budget	\$ 175	\$ 161	\$ (14)	\$ —
Actual	152	161	—	(9)
Variance—favorable / (unfavorable)	(23)	—	14	(9)
AUTOMATED TRAFFIC WARRANT FUND				
Revised budget	90	—	(29)	61
Actual	62	—	—	62
Variance—favorable / (unfavorable)	(28)	—	29	1
STATE AUTHORIZED SPECIAL REVENUE FUND				
Revised budget	849	624	(6)	219
Actual	1,140	624	(6)	510
Variance—favorable / (unfavorable)	291	—	—	291
TOTAL OTHER SPECIAL REVENUE FUNDS				
Revised budget	7,125	9,865	4,025	1,285
Actual	7,019	9,126	3,920	1,813
Variance—favorable / (unfavorable)	<u>\$(106)</u>	<u>\$ 739</u>	<u>\$(105)</u>	<u>\$ 528</u>

CITY AND COUNTY OF SAN FRANCISCO
SPECIAL REVENUE FUNDS
Schedule of Expenditures and Encumbrances by Department
Budget and Actual—Budget Basis
Year ended June 30, 1990

(In Thousands)

	Revised Budget	Actual	Variance Favorable (Unfavorable)
HOTEL TAX FUND			
Culture and Recreation			
Art Commission	\$ 136	\$ 136	\$ —
General Administration and Finance			
Treasurer/Tax Collector	97	91	6
Chief Administrative Officer	8,180	8,169	11
	8,277	8,260	17
Total Hotel Tax Fund	8,413	8,396	17
GASOLINE TAX FUND			
Public Works, Transportation and Commerce			
Public Works	25,225	25,017	208
Total Gasoline Tax Fund	25,225	25,017	208
CONVENTION FACILITIES FUND			
Culture and Recreation			
Convention Facilities Management	16,301	13,845	2,456
General Administration and Finance			
Mayor	142	142	—
Chief Administrative Officer	2,041	2,041	—
	2,183	2,183	—
Total Convention Facilities Fund	18,484	16,028	2,456
OPEN SPACE AND PARK FUND			
Culture and Recreation			
Recreation and Park Commission	17,622	17,278	344
Total Open Space and Park Fund	17,622	17,278	344
SENIOR CITIZENS' PROGRAMS FUND			
Human Welfare and Neighborhood Development			
Commission on Aging	11,185	11,175	10
Total Senior Citizens' Programs Fund	11,185	11,175	10
CANDLESTICK PARK FUND			
Culture and Recreation			
Recreation and Park Commission	6,471	5,954	517
Total Candlestick Park Fund	6,471	5,954	517
SPECIAL RECREATION AND PARK REVENUE FUND			
Culture and Recreation			
Recreation and Park Commission	9,355	9,345	10
Total Special Recreation and Park Revenue Fund ...	\$ 9,355	\$ 9,345	\$ 10

(Continued)

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Schedule of Expenditures and Encumbrances by Department
Budget and Actual—Budget Basis—(Continued)

Year ended June 30, 1990

(In Thousands)

	Revised Budget	Actual	Variance Favorable (Unfavorable)
BUILDING INSPECTION FUND			
Public Works, Transportation and Commerce			
Public Works	\$ 15,987	\$ 14,747	\$1,240
Total Building Inspection Fund	<u>15,987</u>	<u>14,747</u>	<u>1,240</u>
OFF-STREET PARKING FUND			
Public Works, Transportation and Commerce			
Parking Authority	7,637	7,251	386
General Administration and Finance			
Mayor	11	11	—
Total Off-Street Parking Fund	<u>7,648</u>	<u>7,262</u>	<u>386</u>
OTHER SPECIAL REVENUE FUNDS			
Public Protection			
Public Administrator Guardian	96	45	51
Public Works, Transportation and Commerce			
Public Works	146	146	—
Human Welfare and Neighborhood Development			
Commission on the Status of Women	161	161	—
Rent Arbitration Board	1,237	1,070	167
	<u>1,398</u>	<u>1,231</u>	<u>167</u>
Community Health			
Community Mental Health	19	19	—
Culture and Recreation			
Art Commission	135	129	6
Recreation and Park Commission	1,120	983	137
War Memorial	5,205	4,920	285
Fine Arts Museums	728	694	34
Asian Art Museum	271	271	—
	<u>7,459</u>	<u>6,997</u>	<u>462</u>
General Administration and Finance			
Board of Supervisors	126	69	57
Recorder	438	436	2
General City Responsibility	183	183	—
	<u>747</u>	<u>688</u>	<u>59</u>
Total Other Special Revenue Funds	<u>9,865</u>	<u>9,126</u>	<u>739</u>
Total Special Revenue Funds	<u>\$130,255</u>	<u>\$124,328</u>	<u>\$5,927</u>

CITY AND COUNTY OF SAN FRANCISCO
SPECIAL REVENUE FUNDS
Schedule of Budget Appropriation Changes
Year ended June 30, 1990
(In Thousands)

	Original Budget	Supplemental Appropriations	Carryforward Appropriations		Revised Budget
			Beginning	Ending	
Revenues:					
Property taxes	\$ 11,799	\$ —	\$ —	\$ —	\$ 11,799
Other local taxes	57,757	—	—	—	57,757
Grants and subventions	19,556	329	—	—	19,885
Licenses, fines and penalties	3,394	183	—	—	3,577
Interests and investment earnings	4,578	—	—	—	4,578
Charges for services	47,487	156	—	—	47,643
Other	175	—	—	—	175
Total revenues	<u>144,746</u>	<u>668</u>	<u>—</u>	<u>—</u>	<u>145,414</u>
Expenditures and encumbrances:					
Public protection	—	50	127	81	96
Public works, transportation and commerce....	43,929	4,654	14,343	13,931	48,995
Human welfare and neighborhood development	12,872	(82)	426	633	12,583
Community health	—	122	68	171	19
Culture and recreation	63,891	(5,052)	20,579	22,074	57,344
General administration and finance	5,830	8,565	7,173	10,350	11,218
Total expenditures and encumbrances	<u>126,522</u>	<u>8,257</u>	<u>42,716</u>	<u>47,240</u>	<u>130,255</u>
Excess (deficiency) of revenues over (under) expenditures and encumbrances	<u>18,224</u>	<u>(7,589)</u>	<u>(42,716)</u>	<u>(47,240)</u>	<u>15,159</u>
Other financing sources (uses):					
Operating transfers in	49,883	1,866	—	—	51,749
Operating transfers out	(65,879)	(4,590)	(10,264)	(4,801)	(75,932)
	<u>(15,996)</u>	<u>(2,724)</u>	<u>(10,264)</u>	<u>(4,801)</u>	<u>(24,183)</u>
Excess (deficiency) of revenues and other sources over (under) expenditures, encumbrances and other uses	2,228	(10,313)	(52,980)	(52,041)	(9,024)
Fund balances at beginning of year	89,869	—	—	—	89,869
Fund balances at end of year	<u>\$ 92,097</u>	<u>\$(10,313)</u>	<u>\$(52,980)</u>	<u>\$(52,041)</u>	<u>\$ 80,845</u>

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CITY AND COUNTY OF SAN FRANCISCO

DEBT SERVICE FUNDS

The Debt Service Funds account for the accumulation of property taxes and other revenue for periodic payment of interest and principal of general obligation and certain lease revenue bonds and related authorized costs. Three major funds are separately identified representing 90.1% of the combined expenditures of the Debt Service Funds. The remaining 9.9% consists of six minor funds. Operations of that fund grouping are shown in a separate schedule.

General Obligation Bonds Fund—Accounts for property taxes and other revenue for periodic payment of interest and principal of general obligation bonds and related costs. Provisions are made in the general property tax levy for monies sufficient to meet these requirements in accordance with Article XIII A of the State Constitution (Proposition 13).

Moscone Center Lease Revenue Bonds Fund—Accounts for transfers of hotel tax revenue from the Convention Facilities Fund which provide for periodic payments of interest and principal and bond reserve requirements.

Redevelopment Financing Authority Fund—Accounts for financing activities of a joint powers authority formed between the Redevelopment Agency and the City to facilitate the long-term financing of Redevelopment Agency activities. All bond proceeds are loaned to the Redevelopment Agency, and the Authority uses loan payments to service its debt.

Other Bonds Fund—Accounts for funds and debt service of three nonprofit corporations (Civic Plaza Parking Garage, Social Services Corporation, and San Francisco Stadium, Inc.), the Hunters Point / South School, the Yerba Buena Center and the Moscone Center Parking Garage. As a group they represent 9.9% of current year's combined expenditures of the Debt Service Funds. The largest fund's expenditures in this group are less than 3.6% of the total.

CITY AND COUNTY OF SAN FRANCISCO

DEBT SERVICE FUNDS

Combining Balance Sheet

June 30, 1990

With comparative totals as of June 30, 1989

(In Thousands)

ASSETS

	General Obligation Bonds Fund	Moscone Center Lease Revenue Bonds Fund	Redevelopment Financing Authority Fund	Other Bonds Fund	Total	
					1990	1989
Deposits and investments . . .	\$1,924	\$ —	\$ —	\$ —	\$ 1,924	\$ 3,958
Investments with trustee . . .	—	33,463	—	4,766	38,229	54,185
Receivables (net of allowance for uncollectible amounts of \$437 in 1990):						
Property taxes and penalties	3,012	—	—	—	3,012	2,637
Interest and other	—	371	—	57	428	708
Interfund receivables	81	—	—	—	81	—
Total assets	<u>\$5,017</u>	<u>\$33,834</u>	<u>\$ —</u>	<u>\$4,823</u>	<u>\$43,674</u>	<u>\$61,488</u>

LIABILITIES

Deferred credits and other liabilities	\$3,181	\$ —	\$ —	\$ 148	\$ 3,329	\$ 3,138
	<u>3,181</u>	<u>—</u>	<u>—</u>	<u>148</u>	<u>3,329</u>	<u>3,138</u>

FUND EQUITY

Fund balances—reserved for debt service	1,836	33,834	—	4,675	40,345	58,350
Total liabilities and fund equity	<u>\$5,017</u>	<u>\$33,834</u>	<u>\$ —</u>	<u>\$4,823</u>	<u>\$43,674</u>	<u>\$61,488</u>

CITY AND COUNTY OF SAN FRANCISCO

DEBT SERVICE FUNDS

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances

Year ended June 30, 1990

With comparative totals for the year ended June 30, 1989

(In Thousands)

	General Obligation Bonds Fund	Moscone Center Lease Revenue Bonds Fund	Redevelopment Financing Authority Fund	Other Bonds Fund	Total	
					1990	1989
Revenues:						
Property taxes	\$25,132	\$ —	\$ —	\$ —	\$ 25,132	\$20,876
Grants and subventions	366	—	—	—	366	334
Interest and investment earnings	—	3,422	8	456	3,886	4,431
Charges for services	—	—	—	965	965	1,284
Other	—	—	750	2,766	3,516	2,858
Total revenues	25,498	3,422	758	4,187	33,865	29,783
Expenditures:						
Debt service:						
Principal retirement	8,485	14,035	—	1,730	24,250	10,506
Interest and fiscal charges	10,544	11,472	1,758	3,381	27,155	21,935
Total expenditures	19,029	25,507	1,758	5,111	51,405	32,441
Excess (deficiency) of revenues over (under) expenditures	6,469	(22,085)	(1,000)	(924)	(17,540)	(2,658)
Other financing sources (uses):						
Operating transfers in	—	9,584	1,069	1,384	12,037	11,092
Operating transfers out	(8,361)	(4,072)	(39,268)	—	(51,701)	(9,190)
Proceeds from issuance of bonds	—	—	39,199	—	39,199	34,080
Payment to refunded bond escrow agent	—	—	—	—	—	(9,683)
	(8,361)	5,512	1,000	1,384	(465)	26,299
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(1,892)	(16,573)	—	460	(18,005)	23,641
Fund balances at beginning of year	3,728	50,407	—	4,215	58,350	34,709
Fund balances at end of year ..	\$ 1,836	\$ 33,834	\$ —	\$4,675	\$ 40,345	\$58,350

CITY AND COUNTY OF SAN FRANCISCO

DEBT SERVICE FUNDS

Schedule of Revenues, Expenditures and Other Financing Sources—
Individual Fund Grouping

Year ended June 30, 1990

(In Thousands)

<u>Fund</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Other Financing Sources</u>	<u>Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures</u>
Other Bonds:				
Hunters Point/South School	\$ 24	\$ 270	\$ 260	\$ 14
Moscone Parking Garage	1,088	878	—	210
Social Services Corporation	1,033	894	—	139
San Francisco Stadium	2,036	1,876	—	160
Civic Plaza Parking Garage	1	—	—	1
Yerba Buena Center Liquidity Revenue Bonds	5	1,193	1,124	(64)
	<u>\$4,187</u>	<u>\$5,111</u>	<u>\$1,384</u>	<u>\$460</u>

CITY AND COUNTY OF SAN FRANCISCO
CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for financial resources to be used for the acquisition of land or acquisition and construction of major facilities other than those financed in the proprietary fund types. Five major funds are separately identified representing 96.7% of the combined expenditures of the Capital Projects Funds. The remaining 3.3% consists of nine minor funds. Operations of that fund grouping are shown in a separate schedule.

Redevelopment Agency Fund—Accounts for Federal grants, land sales, rents and other revenues relating to all redevelopment projects. Expenditures are for land acquisition and improvements and for other costs inherent to redevelopment activities.

Street Improvement Fund—Accounts for gas tax subventions, bond fund proceeds and other revenues which are designated for general street improvements. Expenditures for land acquisition and construction of designated improvements are made in accordance with applicable state codes, City charter provisions and bond requirements.

City Facility Improvement Fund—Accounts for bond proceeds, capital lease financing and transfers from other funds which are designated for various buildings and general improvements. Expenditures for acquisition and construction of public buildings and improvements are made in accordance with bond requirements and appropriation ordinances.

Recreation and Park Projects Fund—Accounts for bond proceeds, Federal and state grants, gifts and transfers from other funds which are designated for various recreation and park additions and development. Expenditures for acquisition and construction of recreation and park facilities are made in accordance with bond requirements and appropriation ordinances.

Moscone Convention Center Fund—Accounts for proceeds from Moscone Convention Center Lease Revenue Bonds and transfers from the General Fund and Convention Facilities Special Revenue Fund. Expenditures are for construction of the George R. Moscone Convention Center and for related administrative costs.

Other Capital Projects Funds—Accounts for the various revenues and capital expenditures of nine capital improvement funds, which include 3.3% of current year's combined expenditures of the Capital Projects Funds. The largest fund's expenditures in this group are less than 1.8% of the total.

CITY AND COUNTY OF SAN FRANCISCO

CAPITAL PROJECTS FUNDS

Combining Balance Sheet

June 30, 1990

With comparative totals for June 30, 1989

(In Thousands)

ASSETS

	Redevelopment Agency Fund	Street Improvement Fund	City Facility Improvement Fund	Recreation and Park Projects Fund	Moscone Convention Center Fund	Other Capital Projects Funds	Total	
							1990	1989
Deposits and investments.....	\$ 50,128	\$13,633	\$ 92,837	\$18,589	\$ —	\$ —	\$175,187	\$148,110
Investments with trustee.....	73	114	12	—	19	420	638	1,361
Receivables								
Federal and state grants and								
subventions.....	—	3,509	287	44	—	—	3,840	1,192
Interest and other.....	1,189	6	320	20	—	13	1,548	699
Interfund receivables.....	838	4,694	13,756	349	102,738	4,464	126,839	143,697
Loans receivable.....	10,049	—	1	—	—	—	10,050	6,730
Property held for resale and/or lease	104,540	—	—	—	—	—	104,540	94,559
Total assets.....	<u>\$166,817</u>	<u>\$21,956</u>	<u>\$107,213</u>	<u>\$19,002</u>	<u>\$102,757</u>	<u>\$ 4,897</u>	<u>\$422,642</u>	<u>\$396,348</u>

LIABILITIES

Accounts payable.....	\$ 885	\$ 1,043	\$ 5,216	\$ 1,492	\$ 12,587	\$ 710	\$ 21,933	\$ 11,965
Accrued vacation and sick leave pay	380	—	—	—	—	—	380	290
Interfund payables.....	—	2,152	14,749	793	—	493	18,187	12,567
Deferred credits and other								
liabilities.....	8,115	1,022	1,868	447	—	—	11,452	10,813
Total liabilities.....	<u>9,380</u>	<u>4,217</u>	<u>21,833</u>	<u>2,732</u>	<u>12,587</u>	<u>1,203</u>	<u>51,952</u>	<u>35,635</u>

FUND EQUITY

Fund balances								
Reserved for property held for								
resale and/or lease.....	104,540	—	—	—	—	—	104,540	94,560
Reserved for encumbrances.....	—	2,833	19,095	5,312	—	1,909	29,149	14,008
Reserved for appropriation								
carryforward.....	—	10,037	28,584	8,959	—	12,780	60,360	73,440
Unreserved—undesignated.....	52,897	4,869	37,701	1,999	90,170	(10,995)	176,641	178,705
Total fund equity.....	<u>157,437</u>	<u>17,739</u>	<u>85,380</u>	<u>16,270</u>	<u>90,170</u>	<u>3,694</u>	<u>370,690</u>	<u>360,713</u>
Total liabilities and fund								
equity.....	<u>\$166,817</u>	<u>\$21,956</u>	<u>\$107,213</u>	<u>\$19,002</u>	<u>\$102,757</u>	<u>\$ 4,897</u>	<u>\$422,642</u>	<u>\$396,348</u>

CITY AND COUNTY OF SAN FRANCISCO

CAPITAL PROJECTS FUNDS

Combining Statement of Revenues, Expenditures and Changes in Fund Balances Year ended June 30, 1990

With comparative totals for the year ended June 30, 1989

(In Thousands)

	Redevelop- ment Agency Fund	Street Improvement Fund	City Facility Improvement Fund	Recreation and Park Projects Fund	Moscone Convention Center Fund	Other Capital Projects Fund	Total	
							1990	1989
Revenues:								
Property taxes	\$ 2,136	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 2,136	\$ 2,556
Grants and subventions	—	2,813	1,710	142	—	—	4,665	1,833
Interest and investment earnings	4,532	837	3,536	458	7,845	33	17,241	14,602
Land sales proceeds	571	—	—	—	—	—	571	898
Other	5,995	—	10	—	—	—	6,005	2,834
Total revenues	13,234	3,650	5,256	600	7,845	33	30,618	22,723
Expenditures:								
Capital outlay	14,989	15,249	30,069	14,084	65,258	4,840	144,489	89,600
Total expenditures	14,989	15,249	30,069	14,084	65,258	4,840	144,489	89,600
Excess (deficiency) of revenues over (under) expenditures	(1,755)	(11,599)	(24,813)	(13,484)	(57,413)	(4,807)	(113,871)	(66,877)
Other financing sources (uses):								
Operating transfers in	39,268	3,663	21,610	6,157	20,950	6,498	85,852 *	41,125
Operating transfers out	(2,193)	(61)	(11,951)	(271)	(86)	(10)	(2,278) *	(5,418)
Proceeds from issuance of bonds (net)	—	—	27,500	—	—	—	27,500	210,616
Capital leases	—	—	—	—	—	—	—	3,400
Transfer of bond proceeds to School and College District Agency Fund	—	—	—	—	—	—	—	(35,000)
	37,075	3,602	37,159	5,886	20,864	6,488	111,074	214,723
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	35,320	(7,997)	12,346	(7,598)	(36,549)	1,681	(2,797)	147,846
Fund balances at beginning of year	112,137	25,736	70,240	23,868	126,719	2,013	360,713	202,587
Residual equity transfer	—	—	2,794	—	—	—	2,794	—
Net change in reserve for assets not available for appropriation	9,980	—	—	—	—	—	9,980	10,280
Fund balances at end of year	\$157,437	\$ 17,739	\$ 85,380	\$ 16,270	\$ 90,170	\$ 3,694	\$370,690	\$360,713

* Net of \$12,294 of intrafund eliminations.

CITY AND COUNTY OF SAN FRANCISCO

CAPITAL PROJECTS FUNDS

Schedule of Revenues, Expenditures and Other Financing Sources—

Individual Fund Grouping

Year ended June 30, 1990

(In Thousands)

<u>Fund</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Other Financing Sources</u>	<u>Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures</u>
Other Capital Projects:				
1973 School Building Improvement	\$14	\$ —	\$ —	\$ 14
Parking Authority Project	—	92	836	744
Community College Project	—	29	34	5
Community Development Project (BOE)	—	7	7	—
Community Development Project (BOA)	—	—	164	164
Ocean Beach Seawall	—	2,624	3,697	1,073
Environmental Development Agency Projects	—	1,550	1,306	(244)
Open Space Development	—	537	444	(93)
Hunters Point School	19	1	—	18
	<u>\$33</u>	<u>\$4,840</u>	<u>\$6,488</u>	<u>\$1,681</u>

CITY AND COUNTY OF SAN FRANCISCO
ENTERPRISE FUNDS

Enterprise Funds account for operations and activities which render services on a user charge basis to the general public. The various Enterprise Funds are:

San Francisco International Airport—This Enterprise Fund was authorized and established by City Charter Sections 3.690 to 3.694. An Airport Commission was created with powers and duties in the management and control of San Francisco International Airport.

Port of San Francisco—In 1968, the City voters approved a proposition to accept the transfer of the Harbor of San Francisco from the State of California under the terms and conditions set forth in California Statutes of 1968, Chapter 1333. A Port of San Francisco Enterprise Fund was established in 1969, under the direction of a Port Commission.

Water Department/Hetch Hetchy Project and Municipal Railway—City Charter Sections 3.590 to 3.599 provide that a Public Utilities Commission be created and have responsibility for the construction, operation and control of all public utilities, excepting airports. The Public Utilities Commission appoints a general manager of utilities who has full power to administer the Water Department/Hetch Hetchy Project and Municipal Railway Enterprise Funds established by the Commission. The Municipal Railway financial operations include the activities of the San Francisco Municipal Railway Improvement Corporation, a nonprofit corporation organized to acquire and finance improvements to the City's public transportation system.

Laguna Honda Hospital—This Enterprise Fund was established by the Controller at the request of hospital management. Full enterprise operations began July 1, 1983 after having been previously included in the General Fund. Accounting and reporting systems are in compliance with the Hospital Disclosure Act, Health and Safety Code Sections 440-442.10.

General Hospital Medical Center—This Enterprise Fund was established on July 1, 1980, pursuant to the Board of Supervisor's Resolution No. 865-81. The accounting and reporting system for San Francisco General Hospital Medical Center is in accordance with Government Code Section 25261 and the Hospital Disclosure Act, Health and Safety Code Sections 440-442.10.

Clean Water Program—This Enterprise Fund was created after voters approved a proposition in 1976, authorizing the City to issue \$240 million in bonds for the purpose of acquiring, constructing, improving and financing improvements to the City municipal sewage treatment and disposal system. Board of Supervisors Resolution No. 973-77 required the Controller to keep separate records and accounts of the enterprise beginning July 1, 1977.

Parking Garages/Other—Various nonprofit corporations and funds have been formed for the purpose of providing financial and other assistance to the City or Redevelopment Agency in the acquisition of land, construction of facilities, and management of various projects, as follows:

1. Downtown Parking Corporation
2. Uptown Parking Corporation
3. Western Addition Parking Corporation
4. Ellis-O'Farrell Parking Corporation
5. Portsmouth Plaza Parking Corporation
6. City of San Francisco Market Corporation
7. South Beach Harbor Enterprise Fund

CITY AND COUNTY OF SAN FRANCISCO

ENTERPRISE FUNDS

Combining Balance Sheet

June 30, 1990

With comparative totals for June 30, 1989

(In Thousands)

ASSETS

	San Francisco International Airport	Port of San Francisco	Water Dept./Hatch Hetchy Project	Municipal Railway	Laguna Honda Hospital	General Hospital Medical Center	Clean Water Program	Parking Garages/Other	Total	
									1990	1989
Equities and investments	\$184,144	\$ 21,401	\$ 74,115	\$ 18,871	\$ 7	\$ 29,469	\$ 11,502	\$ 5,358	\$ 344,867	\$ 377,988
Investments with trustee	—	—	—	—	—	—	—	12,267	12,267	11,652
Receivables (net of allowance for uncollectible amounts of \$17,956 in 1990)	—	—	—	—	—	—	—	—	—	—
Federal and state grants and										
to disbursements	499	324	508	27,200	2	1,222	—	—	29,755	24,463
Charges for services	9,507	2,200	13,480	—	13,711	38,969	10,563	77	88,507	76,733
Interest and other	6,134	4,265	2,036	2,818	—	711	3,903	230	20,097	21,732
Interfund receivables	—	2,417	590	152	87	14,646	1,111	—	19,007	9,030
Inventories	307	1,418	4,585	16,894	1,285	3,770	—	—	28,259	26,126
Restricted assets										
Deposits and investments	140,710	15,333	68,298	71,492	2,450	2,474	198,218	—	498,975	444,609
Investments with trustee	50,989	9,901	9,445	28,371	100	—	36,381	7,597	142,784	155,975
Grants and other receivables	4,908	651	4,991	10,612	220	57	13,045	—	34,484	33,102
Fixed assets (net of accumulated depreciation)	537,399	190,927	533,817	389,445	13,070	41,930	931,404	56,166	2,694,158	2,597,138
Deferred charges and other assets	1,926	1,380	9	—	264	478	2,319	194	6,570	5,193
Total assets	\$936,527	\$250,217	\$711,874	\$565,855	\$31,196	\$133,726	\$1,208,446	\$81,889	\$3,919,730	\$3,783,741

LIABILITIES

Accounts payable	\$ 3,970	\$ 969	\$ 6,870	\$ 14,062	\$ 2,605	\$ 10,417	\$ 9,540	\$ 1,628	\$ 50,061	\$ 40,700
Accounts receivable	3,756	1,085	2,686	10,483	3,869	7,833	721	124	30,557	27,067
Accrued vacation and sick leave pay	4,851	1,194	6,009	14,971	4,577	8,501	2,622	—	42,725	40,949
Accrued workers' compensation	3,670	555	2,302	17,200	2,410	5,800	540	—	32,477	27,306
Estimated claims payable	—	435	5,039	12,121	—	—	37	—	17,632	20,958
Prepaid vacations	3,245	1,194	3,678	14,517	9,655	1,845	10,145	2,371	46,650	37,550
Deferred credits and other liabilities	25,120	3,284	1,892	6,573	272	533	2,865	3,701	44,240	56,269
Bond interest payable	7,368	195	114	—	—	—	9,029	2,798	19,504	17,902
Bonds, loans and capital										
interest payable	493,319	78,122	121,858	14,824	1,624	65,774	363,584	36,544	1,175,649	1,113,456
Liabilities payable from restricted assets	6,415	4,165	1,704	5,822	2,337	2,495	4,285	51	27,274	19,141
Total liabilities	\$551,714	\$91,198	\$152,152	\$110,573	\$27,349	\$103,198	\$403,368	\$47,217	\$1,486,769	\$1,401,298

FUND EQUITY

Restricted capital net	107,939	74,219	48,670	315,220	8,448	56,307	663,790	—	1,274,593	1,241,757
Restricted earnings	—	—	—	—	—	—	—	—	—	—
Unreserved (deficit)	276,874	84,800	511,052	140,062	(4,601)	(25,779)	141,288	34,672	1,158,368	1,140,686
Total fund equity	384,813	159,019	559,722	455,282	3,847	30,528	805,078	34,672	2,432,961	2,382,443
Total liabilities and fund equity	\$936,527	\$250,217	\$711,874	\$565,855	\$31,196	\$133,726	\$1,208,446	\$81,889	\$3,919,730	\$3,783,741

CITY AND COUNTY OF SAN FRANCISCO

ENTERPRISE FUNDS

Combining Statement of Revenues, Expenses
and Changes in Retained Earnings

Year ended June 30, 1990

With comparative totals for the year ended June 30, 1989

(In Thousands)

	San Francisco International Airport	Port of San Francisco	Water Dept./ Hetch Project	Municipal Railway	Laguna Honda Hospital	General Hospital Medical Center	Clean Water Program	Parking Garages/ Other	Total	
									1990	1989
Operating revenues:										
Charges for services	\$ 55,102	\$ 6,676	\$121,607	\$ 78,185	\$67,709	\$113,284	\$ 65,324	\$13,289	\$ 521,176	\$ 510,663
Rent and concessions	84,054	21,703	4,121	—	—	—	—	2,600	112,478	100,774
Other	—	1,231	2,239	2,451	220	744	—	123	7,008	7,349
Total operating revenues	139,156	29,610	127,967	80,636	67,929	114,028	65,324	16,012	640,662	618,786
Operating expenses:										
Personal services	43,353	13,051	34,534	183,913	66,282	136,241	27,250	4,177	508,801	463,083
Contractual services	17,463	1,328	14,135	15,376	3,354	34,733	5,028	1,640	93,057	91,025
Light, heat and power	8,085	1,587	16,279	3,019	—	1,997	4,261	700	35,928	45,832
Materials and supplies	2,995	1,268	4,529	13,593	5,789	24,282	7,267	360	60,083	52,315
Depreciation	23,920	4,877	16,182	17,962	1,295	4,252	22,136	619	91,243	87,612
Services provided by other departments	8,493	2,582	12,370	22,504	4,291	8,800	4,123	—	63,163	47,320
Other	7,100	3,118	5,073	8,973	—	5,815	1,247	3,447	34,773	44,928
Total operating expenses	111,409	27,811	103,102	265,340	81,011	216,120	71,312	10,943	887,048	832,115
Operating income (loss)	27,747	1,799	24,865	(184,704)	(13,082)	(102,092)	(5,988)	5,069	(246,386)	(213,329)
Non-operating revenues (expenses):										
Operating grants:										
Federal	—	—	—	7,950	24	—	—	—	7,974	8,076
State/Other	—	—	—	39,323	614	32,705	—	—	72,642	66,104
Interest income	25,025	2,800	6,234	3,939	—	3,208	25,579	2,004	68,789	55,947
Interest expense	(32,738)	(4,558)	(755)	(1,017)	—	(4,688)	(37,996)	(2,559)	(84,311)	(70,229)
Other, net	(6,446)	—	(7,258)	14,465	46	532	(1,145)	149	343	12,050
	(14,159)	(1,758)	(1,779)	64,660	684	31,757	(13,562)	(406)	65,437	71,948
Income (loss) before operating transfers	13,588	41	23,086	(120,044)	(12,398)	(70,335)	(19,550)	4,663	(180,949)	(141,381)
Operating transfers in	—	—	2,370	112,568	10,437	68,786	6,097	—	200,258	174,260
Operating transfers out	(12,074)	—	(17,370)	—	—	—	—	(2,716)	(32,160)	(41,594)
	(12,074)	—	(15,000)	112,568	10,437	68,786	6,097	(2,716)	168,098	132,666
Net income (loss)	1,514	41	8,086	(7,476)	(1,961)	(1,549)	(13,453)	1,947	(12,851)	(8,715)
Depreciation on fixed assets purchased with externally restricted sources that reduces contributed capital	—	—	1,185	15,630	—	—	13,718	—	30,533	29,368
Retained earnings (deficit) at beginning of year	275,360	84,759	501,781	131,908	(2,640)	(24,230)	141,023	32,725	1,140,686	1,120,033*
Retained earnings (deficit) at end of year	\$276,874	\$84,800	\$511,052	\$140,062	\$ (4,601)	\$ (25,779)	\$141,288	\$34,672	\$1,158,368	\$1,140,686

* The Municipal Railway's July 1, 1988 retained earnings were increased by \$40 million with a matching decrease in its contributed capital. The reclassification more correctly reports the acquisition of fixed assets through the San Francisco Municipal Railway Improvement Corporation, a non-profit corporation, in combination with the Municipal Railway.

CITY AND COUNTY OF SAN FRANCISCO

ENTERPRISE FUNDS

Combining Statement of Changes in Financial Position

Year ended June 30, 1990

With comparative totals for the year ended June 30, 1989

(In Thousands)

	San Francisco International Airport	Port of San Francisco	Water Dept./Hetch Hetchy Project	Municipal Railway	Laguna Honda Hospital	General Hospital Medical Center	Clean Water Program	Parking Garages/Other	Total	
									1990	1989
Sources of Working Capital										
Operations										
Net income (loss)	\$ 1,514	\$ 41	\$ 8,086	\$(7,476)	\$(1,961)	\$(1,549)	\$(13,453)	\$ 1,947	\$(12,851)	\$(8,715)
Items not requiring working capital										
Depreciation	23,920	4,877	16,182	17,962	1,295	4,252	22,136	619	91,243	87,612
Loss on sale of fixed and other assets	953	—	75	38	—	8	—	148	1,222	3,665
Working capital provided (used) by operations	26,387	4,918	24,343	10,524	(666)	2,711	8,683	2,714	79,614	82,562
Capital grants	1,733	2,363	—	46,439	—	293	12,541	—	63,369	65,551
Net decrease in restricted assets	—	1,994	16,113	—	—	273	19,995	2,163	40,538	13,596
Proceeds from issuance of bonds (net of discount and issuance costs)	91,082	—	—	—	—	—	—	—	91,082	145,100
Proceeds from sale of fixed assets	297	—	47	26	—	—	—	—	370	409
Net increase in liabilities payable from restricted assets	5,298	256	37	—	353	—	3,311	45	9,300	178
Other	—	327	3,110	1,175	2,028	1,910	1,893	790	11,233	12,607
Total sources	124,797	9,858	43,650	58,164	1,715	5,187	46,423	5,712	295,506	320,003
Uses of Working Capital										
Acquisition of fixed assets	36,111	8,455	36,107	53,480	1,608	3,402	48,339	2,691	190,193	148,281
Net increase in restricted assets	76,978	—	—	2,747	787	—	—	1,508	82,020	139,840
Retirement of general obligation bonds	2,735	2,835	1,740	—	—	—	2,925	—	10,235	11,430
Retirement of revenue bonds	8,550	880	—	2,070	—	—	5,945	675	18,120	15,998
Net decrease in liabilities payable from restricted assets	—	—	—	1,170	—	309	—	—	1,479	2,569
Other	—	—	1,116	629	146	3,087	4	—	4,982	2,138
Total uses	124,374	12,170	38,963	60,096	2,541	6,798	57,213	4,874	307,029	320,256
Net increase (decrease) in working capital	\$ 423	\$(2,312)	\$ 4,687	\$(1,932)	\$(826)	\$(1,611)	\$(10,790)	\$ 838	\$(11,523)	\$(253)
Elements of increase (decrease) in working capital										
Deposits and investments	\$(6,142)	\$(4,835)	\$(2,852)	\$ 6,670	\$ —	\$(24,548)	\$(1,777)	\$ 979	\$(32,505)	\$ 54,334
Receivables, net	1,036	3,548	(3,234)	4,139	1,825	8,444	392	155	16,305	21,687
Interfund receivables	4	2,269	(7,009)	(209)	87	14,367	469	—	9,978	362
Interfund payables	67	108	292	1,959	140	(433)	—	—	2,133	922
Deferred charges and other assets	494	(178)	9	—	264	443	199	(17)	1,214	(54)
Accounts payable	705	(407)	4,233	(5,940)	(553)	110	(5,757)	(510)	(8,119)	8,613
Accrued payroll	(1,135)	436	(363)	(1,177)	(711)	(2,718)	(193)	(19)	(5,880)	(6,984)
Interfund payables	5,633	(1,014)	(170)	(5,083)	(2,264)	555	(5,215)	(1,545)	(9,103)	6,722
Bond interest and principal payable	(1,857)	409	20	—	—	205	242	(230)	(1,211)	(2,541)
Deferred credits and other liabilities	1,618	(2,648)	13,906	(2,291)	386	(659)	—	2,025	12,337	(18,442)
Short term loan	—	—	(145)	—	—	2,623	850	—	3,328	(64,872)
Net increase (decrease) in working capital	\$ 423	\$(2,312)	\$ 4,687	\$(1,932)	\$(826)	\$(1,611)	\$(10,790)	\$ 838	\$(11,523)	\$(253)

CITY AND COUNTY OF SAN FRANCISCO

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods and services provided by one department or agency to other departments or agencies on a cost reimbursement basis. Two funds include 87.9% of total revenues of this fund type. Three minor funds represent the remaining 12.1%, the largest being 5.5% of the total. Operations of that fund grouping are shown in a separate schedule.

Data Processing Fund—Accounts for centralized data processing activity and the related billings to various departments for services performed.

Central Shops Fund—Accounts for Central Shops equipment (primarily vehicle) maintenance service charges and the related billings to various departments.

Other Internal Service Funds—Accounts for the financing of services such as reproduction, electricity, etc., provided by one department to other departments on a cost reimbursement basis.

CITY AND COUNTY OF SAN FRANCISCO
INTERNAL SERVICE FUNDS
Combining Balance Sheet

June 30, 1990
With comparative totals for June 30, 1989

(In Thousands)

ASSETS

	Data Processing Fund	Central Shops Fund	Other Internal Service Funds	Total	
				1990	1989
Deposits and investments	\$ 4,356	\$ —	\$ 515	\$ 4,871	\$ 4,777
Charges for services receivable	—	—	—	—	—
Interfund receivables	869	3,855	902	5,626	4,545
Inventories	99	—	19	118	118
Fixed assets (net of accumulated depreciation)	1,403	1,231	385	3,019	3,778
Other assets	—	—	5	5	—
Total assets	<u>\$ 6,727</u>	<u>\$5,086</u>	<u>\$1,826</u>	<u>\$13,639</u>	<u>\$13,218</u>

LIABILITIES

Accounts payable	\$ 487	\$ 539	\$ 114	\$ 1,140	\$ 2,086
Accrued payroll	654	242	102	998	916
Interfund payables	132	2,538	15	2,685	2,429
Capital leases payable	169	—	—	169	637
Total liabilities	<u>1,442</u>	<u>3,319</u>	<u>231</u>	<u>4,992</u>	<u>6,068</u>

FUND EQUITY

Contributed capital, net	3,603	900	—	4,503	5,103
Retained earnings:					
Reserved	3,611	154	620	4,385	3,666
Unreserved (deficit)	(1,929)	713	975	(241)	(1,619)
Total fund equity	<u>5,285</u>	<u>1,767</u>	<u>1,595</u>	<u>8,647</u>	<u>7,150</u>
Total liabilities and fund equity	<u>\$ 6,727</u>	<u>\$5,086</u>	<u>\$1,826</u>	<u>\$13,639</u>	<u>\$13,218</u>

CITY AND COUNTY OF SAN FRANCISCO

INTERNAL SERVICE FUNDS

Combining Statement of Revenues, Expenses
and Changes in Fund Equity

Year ended June 30, 1990

With comparative totals for the year ended June 30, 1989

(In Thousands)

	Data Processing Fund	Central Shops Fund	Other Internal Service Funds	Total	
				1990	1989
Operating revenues:					
Charges for services	\$15,224	\$ 9,486	\$3,402	\$28,112	\$ 29,973
Total operating revenues	<u>15,224</u>	<u>9,486</u>	<u>3,402</u>	<u>28,112</u>	<u>29,973</u>
Operating expenses:					
Personal services	9,149	4,000	1,242	14,391	14,007
Contractual services	3,871	1,351	633	5,855	7,018
Materials and supplies	515	2,943	616	4,074	3,844
Depreciation	528	600	46	1,174	2,388
Services provided by other departments	171	167	6	344	376
Total operating expenses	<u>14,234</u>	<u>9,061</u>	<u>2,543</u>	<u>25,838</u>	<u>27,633</u>
Operating income	990	425	859	2,274	2,340
Non-operating expense — Other	<u>777</u>	<u>—</u>	<u>—</u>	<u>777</u>	<u>—</u>
Net income	213	425	859	1,497	2,340
Depreciation on fixed assets purchased with externally restricted sources that reduces contributed capital	—	600	—	600	559
Retained earnings (deficit) at beginning of year	1,469	(158)	736	2,047	(31,640)
Residual equity transfer	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>30,788</u>
Retained earnings at end of year	<u>1,682</u>	<u>867</u>	<u>1,595</u>	<u>4,144</u>	<u>2,047</u>
Contributed capital at beginning of year	3,603	1,500	—	5,103	5,026
Depreciation on contributed assets	—	(600)	—	(600)	(559)
Contributed assets	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>636</u>
Contributed capital at end of year	<u>3,603</u>	<u>900</u>	<u>—</u>	<u>4,503</u>	<u>5,103</u>
Total fund equity at end of year	<u>\$ 5,285</u>	<u>\$ 1,767</u>	<u>\$1,595</u>	<u>\$ 8,647</u>	<u>\$ 7,150</u>

CITY AND COUNTY OF SAN FRANCISCO

INTERNAL SERVICE FUNDS

Schedule of Revenues and Expenses—
Individual Fund Grouping

Year ended June 30, 1990

(In Thousands)

<u>Fund</u>	<u>Operating Revenues</u>	<u>Operating Expenses</u>	<u>Net Income (Loss)</u>
Other Internal Service Funds:			
Reproduction	\$ 966	\$ 984	\$(18)
Real Estate	889	851	38
Electricity	<u>1,547</u>	<u>708</u>	<u>839</u>
	<u>\$3,402</u>	<u>\$2,543</u>	<u>\$859</u>

CITY AND COUNTY OF SAN FRANCISCO

INTERNAL SERVICE FUNDS

Combining Statement of Changes in Financial Position

Year ended June 30, 1990

With comparative totals for the year ended June 30, 1989

(In Thousands)

	Data Processing Fund	Central Shops Fund	Other Internal Service Funds	Total	
				1990	1989
Sources of working capital:					
Operations:					
Net income.....	\$ 213	\$ 425	\$859	\$1,497	\$ 2,340
Items not requiring working capital:					
Depreciation.....	528	600	46	1,174	2,388
Other.....	<u>777</u>	<u>—</u>	<u>—</u>	<u>777</u>	<u>—</u>
Working capital provided by operations.....	1,518	1,025	905	3,448	4,728
Residual equity transfer.....	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>30,788</u>
Total sources.....	<u>1,518</u>	<u>1,025</u>	<u>905</u>	<u>3,448</u>	<u>35,516</u>
Uses of working capital:					
Dissolution of workers' compensation fund.....	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>30,788</u>
Other.....	1,304	59	305	1,668	1,508
Total uses.....	<u>1,304</u>	<u>59</u>	<u>305</u>	<u>1,668</u>	<u>32,296</u>
Net increase in working capital.....	<u>\$ 214</u>	<u>\$ 966</u>	<u>\$600</u>	<u>\$1,780</u>	<u>\$ 3,220</u>
Elements of increase (decrease) in working capital:					
Deposits and investments.....	\$ (421)	\$ —	\$514	\$ 93	\$ 1,258
Interfund receivables.....	(181)	1,198	63	1,080	942
Accounts payable.....	937	34	(24)	947	(364)
Accrued payroll.....	(18)	(43)	(22)	(83)	150
Interfund payables.....	<u>(103)</u>	<u>(223)</u>	<u>69</u>	<u>(257)</u>	<u>1,234</u>
Net increase in working capital.....	<u>\$ 214</u>	<u>\$ 966</u>	<u>\$600</u>	<u>\$1,780</u>	<u>\$ 3,220</u>

CITY AND COUNTY OF SAN FRANCISCO

FIDUCIARY FUNDS

Fiduciary Funds include all Trust and Agency Funds which account for assets held by the City as a trustee or as an agent for individuals, other governmental units and/or other funds.

Pension Trust Fund

Employees' Retirement System—Accounts for the contributions from employees, City matching contributions and the earnings and profits from investments of monies. Disbursements are made for retirements, withdrawal, disability, and death benefits of the employees as well as administrative expenses.

Nonexpendable Trust Fund

Health Service System—Accounts for the contributions from active and retired employees, and surviving spouses, City matching contributions and the earnings and profits from investment of monies. Disbursements are made for medical expenses and to various health plans of the beneficiaries.

Expendable Trust Funds

Expendable Trust Funds are trust funds whose resources, including both principal and earnings, may be expended. Two funds include 95.2% of the expendable trust funds' assets at June 30, 1990. The remaining five funds account for 4.8% of total assets for this category, the largest individual fund being 2.9%. Operations of these five funds are summarized in a separate schedule.

Gift Fund—Accounts for certain cash gifts which have been accepted by the Board of Supervisors on behalf of the City. Disbursements are made by departments, board and commissions in accordance with the purposes, if any, specified by the donor. Activities are controlled by project accounting procedures maintained by the Controller. At June 30, 1990, over 200 projects existed.

Fuhrman Bequest Fund—Accounts for income and disbursements of a bequest accepted by the City in 1941. In accordance with terms of the bequest one-half of the fund is used for the benefit of the Public Library and one-half is used for the benefit of Golden Gate Park.

Other Expendable Trust Funds—Account for operations of five smaller funds that cannot properly be grouped into the Gift Fund because of their specific terms.

Agency Funds

Agency Funds are custodial in nature and do not involve measurement of results of operations. Such funds have no equity accounts since all assets are due to individuals or entities at some future time. Nine funds include 98.5% of total agency assets and liabilities at June 30, 1990. Twenty-two minor funds total 1.5% of total agency assets and liabilities, the largest individual fund being 0.9%. Changes in assets and liabilities for that fund grouping are shown in a separate schedule.

Payroll Deduction Fund—Accounts for payroll deductions held by the City as an agent for the Federal and state governments, individuals, private organizations and other funds. Settlements of these funds are made periodically.

Unapportioned Taxes and Interest Fund—Accounts for monies received for current and delinquent taxes and for pooled cash interest earnings which must be held pending authority for distribution. Included are prepaid taxes, disputed taxes, duplicate payment of taxes, etc., as well as accrued interest.

Transportation Fund—Accounts for the quarter of one percent sales tax collected by the State Board of Equalization and deposited with the county of origin for local transportation support. The Metropolitan

CITY AND COUNTY OF SAN FRANCISCO
FIDUCIARY FUNDS—(Continued)

Transportation Commission, the regional agency responsible for administration of these monies, directs their use and distribution.

Deposits Fund—Accounts for all deposits under the control of the City departments. Dispositions of the deposits are governed by the terms of the statutes and ordinances establishing the deposit requirement.

Assistance Program Fund—Accounts for collections and advances received as an agent under various human welfare and community health programs. Monies are disbursed in accordance with legal requirements and program regulations.

Claims Settlement Fund—Accounts for monies deposited by third parties pending settlement of litigation and claims. Upon final settlement, monies and accrued interest are disbursed as directed by the courts or by parties to the dispute.

Deferred Compensation Plan Fund—Accounts for assets of the Deferred Compensation Plans for the employees of the City and Redevelopment Agency.

School and College District Fund—Accounts for receipts and disbursements of money held as an agent for the San Francisco Unified School District and the San Francisco Community College District. Pursuant to the California Education Code, all receipts for school districts and college districts must be deposited with the appropriate county.

Construction Deposits Fund—Accounts for assets of bond issues sold by the Redevelopment Agency on behalf of the City and/or other parties. Proceeds are held by bank trust departments pending authorized draw-downs.

Other Agency Funds—Account for monies held as an agent for a variety of purposes.

CITY AND COUNTY OF SAN FRANCISCO
FIDUCIARY FUNDS
Combining Balance Sheet
June 30, 1990
With Comparative Totals as of June 30, 1989
(In Thousands)

ASSETS

	Pension Trust Fund	Non- expendable Trust Fund	Expend- able Trust Funds	Agency Funds	Total	
	Employees' Retirement System	Health Service System			1990	1989
Deposits and investments	\$ 9,026	\$24,393	\$10,847	\$176,537	\$ 220,803	\$ 175,559
Investments with trustee	3,911,897	—	—	247,185	4,159,082	3,745,624
Interest and other receivables	82,366	482	899	75,733	159,480	139,685
Interfund receivables	1,121	3,313	52	799	5,285	3,079
Deferred charges and other assets	—	2,695	351	1,423	4,469	3,190
Total assets	<u>\$4,004,410</u>	<u>\$30,883</u>	<u>\$12,149</u>	<u>\$501,677</u>	<u>\$4,549,119</u>	<u>\$4,067,137</u>

LIABILITIES

Accounts payable	\$ 2,211	\$ —	\$ 54	\$ 27,269	\$ 29,534	\$ 2,479
Accrued payroll	177	—	45	—	222	210
Accrued vacation and sick leave pay	425	—	—	—	425	390
Interfund payables	308	1	190	109,158	109,657	132,957
Agency obligations:						
School and College Districts	—	—	—	103,014	103,014	111,497
Other	—	—	—	117,443	117,443	93,629
Deferred credits and other liabilities	50,516	13,881	90	144,793	209,280	165,117
Total liabilities	<u>53,637</u>	<u>13,882</u>	<u>379</u>	<u>501,677</u>	<u>569,575</u>	<u>506,279</u>

FUND EQUITY

Fund balances:						
Reserved for employees'						
retirement/health benefits	3,950,773	17,001	—	—	3,967,774	3,555,039
Reserved for inventory type assets not						
available for appropriation	—	—	351	—	351	371
Reserved for appropriation carryforward	—	—	6,744	—	6,744	1,393
Unreserved—undesignated	—	—	4,675	—	4,675	4,055
Total fund equity	<u>3,950,773</u>	<u>17,001</u>	<u>11,770</u>	<u>—</u>	<u>3,979,544</u>	<u>3,560,858</u>
Total liabilities and fund equity	<u>\$4,004,410</u>	<u>\$30,883</u>	<u>\$12,149</u>	<u>\$501,677</u>	<u>\$4,549,119</u>	<u>\$4,067,137</u>

CITY AND COUNTY OF SAN FRANCISCO
PENSION TRUST AND NONEXPENDABLE TRUST FUNDS
Comparative Statement of Revenues, Expenses and Changes in Fund Equity
Year ended June 30, 1990
With comparative totals for the year ended June 30, 1989
(In Thousands)

	Pension Trust Fund		Nonexpendable Trust Fund	
	Employees' Retirement System		Health Service System	
	1990	1989	1990	1989
Operating revenues:				
Contributions	\$ 283,296	\$ 262,127	\$104,082	\$86,819
Income from investments	<u>322,012</u>	<u>255,958</u>	<u>1,516</u>	<u>1,074</u>
Total operating revenues	<u>605,308</u>	<u>518,085</u>	<u>105,598</u>	<u>87,893</u>
Operating expenses:				
Contractual services	—	—	63,104	51,546
General and administrative	3,865	3,410	18	6
Benefit payments	<u>198,543</u>	<u>187,938</u>	<u>32,641</u>	<u>30,558</u>
Total operating expenses	<u>202,408</u>	<u>191,348</u>	<u>95,763</u>	<u>82,110</u>
Net income	402,900	326,737	9,835	5,783
Fund equity at beginning of year	<u>3,547,873</u>	<u>3,221,136</u>	<u>7,166</u>	<u>1,383</u>
Fund equity at end of year	<u><u>\$3,950,773</u></u>	<u><u>\$3,547,873</u></u>	<u><u>\$ 17,001</u></u>	<u><u>\$ 7,166</u></u>

CITY AND COUNTY OF SAN FRANCISCO
PENSION TRUST AND NONEXPENDABLE TRUST FUNDS
Comparative Statement of Changes in Financial Position
Year ended June 30, 1990
With comparative totals for the year ended June 30, 1989
(In Thousands)

	Pension Trust Fund		Nonexpendable Trust Fund	
	Employees' Retirement System		Health Service System	
	<u>1990</u>	<u>1989</u>	<u>1990</u>	<u>1989</u>
Sources of working capital:				
Operations:				
Net income	\$ 402,900	\$ 326,737	\$ 9,835	\$ 5,783
Items not requiring (providing) working capital:				
Equity earnings	(6,806)	(1,608)	—	—
(Gain) loss on sale of assets	(75,356)	(35,858)	—	—
Working capital provided by operations	320,738	289,271	9,835	5,783
Sale of investments	4,744,424	6,459,680	—	—
Other	21,243	1,309	—	—
Total sources	5,086,405	6,750,260	9,835	5,783
Uses of working capital:				
Purchase of investments	5,098,175	6,735,869	—	—
Net increase (decrease) in working capital	<u>\$ (11,770)</u>	<u>\$ 14,391</u>	<u>\$ 9,835</u>	<u>\$ 5,783</u>
Elements of increase (decrease) in working capital:				
Deposits and investments	\$ 1,187	\$ (5,742)	\$ 8,611	\$ 6,612
Receivables, net	4,662	(2,431)	673	164
Interfund receivables	1,121	—	2,937	(562)
Accounts payable	(1,148)	(530)	—	—
Accrued payroll	(64)	(48)	—	—
Interfund payables	(259)	409	401	(401)
Other liabilities	(17,269)	22,733	(2,787)	(30)
Net increase (decrease) in working capital	<u>\$ (11,770)</u>	<u>\$ 14,391</u>	<u>\$ 9,835</u>	<u>\$ 5,783</u>

CITY AND COUNTY OF SAN FRANCISCO
EXPENDABLE TRUST FUNDS
Combining Balance Sheet
June 30, 1990
With comparative totals as of June 30, 1989
(In Thousands)

ASSETS

	Gift Fund	Fuhrman Bequest Fund	Other Expendable Trust Funds	Total	
				1990	1989
Deposits and investments	\$7,704	\$2,575	\$568	\$10,847	\$4,937
Interest and other receivables	882	17	—	899	798
Interfund receivables	52	—	—	52	5
Deferred charges and other assets	282	54	15	351	371
Total assets	<u>\$8,920</u>	<u>\$2,646</u>	<u>\$583</u>	<u>\$12,149</u>	<u>\$6,111</u>

LIABILITIES

Accounts payable	\$ 54	\$ —	\$ —	\$ 54	\$ 122
Accrued payroll	35	10	—	45	62
Interfund payables	190	—	—	190	18
Deferred credits and other liabilities	4	—	86	90	90
Total liabilities	<u>283</u>	<u>10</u>	<u>86</u>	<u>379</u>	<u>292</u>

FUND EQUITY

Fund balances:

Reserved for inventory type assets not available for appropriation	282	54	15	351	371
Reserved for appropriation carryforward	6,131	592	21	6,744	1,393
Unreserved—undesignated	<u>2,224</u>	<u>1,990</u>	<u>461</u>	<u>4,675</u>	<u>4,055</u>
Total fund equity	<u>8,637</u>	<u>2,636</u>	<u>497</u>	<u>11,770</u>	<u>5,819</u>
Total liabilities and fund equity	<u>\$8,920</u>	<u>\$2,646</u>	<u>\$583</u>	<u>\$12,149</u>	<u>\$6,111</u>

CITY AND COUNTY OF SAN FRANCISCO

EXPENDABLE TRUST FUNDS

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Year ended June 30, 1990

With comparative totals for the year ended June 30, 1989

(In Thousands)

	Gift Fund	Fuhrman Bequest Fund	Other Expendable Trust Funds	Total	
				1990	1989
Revenues:					
Grants and subventions	\$1,442	\$ —	\$ —	\$ 1,442	\$1,271
Interest and investment earnings	273	544	7	824	489
Charges for services	84	—	—	84	4
Contributions	7,474	10	—	7,484	2,259
Total revenues	<u>9,273</u>	<u>554</u>	<u>7</u>	<u>9,834</u>	<u>4,023</u>
Expenditures:					
Public protection	391	—	—	391	204
Public works, transportation and commerce ...	15	—	—	15	18
Human welfare and neighborhood development	39	—	8	47	32
Community health	687	—	—	687	1,512
Culture and recreation	504	272	1	777	443
General administration and finance	371	—	—	371	304
Total expenditures	<u>2,007</u>	<u>272</u>	<u>9</u>	<u>2,288</u>	<u>2,513</u>
Excess (deficiency) of revenues over expenditures	<u>7,266</u>	<u>282</u>	<u>(2)</u>	<u>7,546</u>	<u>1,510</u>
Other financing uses:					
Operating transfers out	(1,497)	(16)	(62)	(1,575)	(1,602)
Excess (deficiency) of revenues over (under) expenditures and other uses	5,769	266	(64)	5,971	(92)
Fund balances at beginning of year	2,878	2,380	561	5,819	5,905
Net change in reserve for assets not available for appropriation	<u>(10)</u>	<u>(10)</u>	<u>—</u>	<u>(20)</u>	<u>6</u>
Fund balances at end of year	<u>\$8,637</u>	<u>\$2,636</u>	<u>\$497</u>	<u>\$11,770</u>	<u>\$5,819</u>

CITY AND COUNTY OF SAN FRANCISCO

OTHER EXPENDABLE TRUST FUNDS

Schedule of Revenues Expenditures and Other Financing Uses—
Individual Fund Grouping

Year ended June 30, 1990

(In Thousands)

<u>Fund</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Other Financing Uses</u>	<u>Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Uses</u>
PPIE Scholarship Principal	\$ 1	\$—	\$—	\$ 1
Special Anecdotal-Library	1	1	—	—
Robinson Bequest	3	8	—	(5)
Windell Bequest	2	—	—	2
Social Services Building	—	—	62	(62)
	<u>\$ 7</u>	<u>\$ 9</u>	<u>\$62</u>	<u>\$(64)</u>

CITY AND COUNTY OF SAN FRANCISCO

AGENCY FUNDS

Combining Statement of Changes in Assets and Liabilities

Year ended June 30, 1990

(In Thousands)

	Balance June 30, 1989	Additions	Deductions	Balance June 30, 1990
Payroll Deduction Fund				
ASSETS				
Deposits and investments	\$ 5	\$ 414,629	\$ 409,966	\$ 4,668
Interest and other receivables	299	116	99	316
Interfund receivables	2,319	1,251	3,058	512
Deferred charges and other assets	—	—	—	—
Total assets	<u>\$ 2,623</u>	<u>\$ 415,996</u>	<u>\$ 413,123</u>	<u>\$ 5,496</u>
LIABILITIES				
Accounts payable	\$ 216	\$ 67,774	\$ 63,181	\$ 4,809
Interfund payables	688	805	1,082	411
Agency obligations:				
School and College Districts	—	—	—	—
Other liabilities	1,719	401,928	403,371	276
Other	—	—	—	—
Total liabilities	<u>\$ 2,623</u>	<u>\$ 470,507</u>	<u>\$ 467,634</u>	<u>\$ 5,496</u>
Unapportioned Taxes and Interest Fund				
ASSETS				
Deposits and investments	\$12,112	\$ 625,007	\$ 620,356	\$16,763
Interest and other receivables	60,627	617,567	607,149	71,045
Interfund receivables	—	58	—	58
Deferred charges and other assets	—	—	—	—
Total assets	<u>\$72,739</u>	<u>\$1,242,632</u>	<u>\$1,227,505</u>	<u>\$87,866</u>
LIABILITIES				
Accounts payable	\$ 4,701	\$ 15,165	\$ 12,735	\$ 7,131
Interfund payables	—	—	—	—
Agency obligations:				
School and College Districts	—	—	—	—
Other liabilities	68,038	699,331	686,634	80,735
Other	—	—	—	—
Total liabilities	<u>\$72,739</u>	<u>\$ 714,496</u>	<u>\$ 699,369</u>	<u>\$87,866</u>

(Continued)

CITY AND COUNTY OF SAN FRANCISCO

AGENCY FUNDS

Combining Statement of Changes in Assets and Liabilities—(Continued)

Year ended June 30, 1990

(In Thousands)

	Balance June 30, 1989	Additions	Deductions	Balance June 30, 1990
Transportation Fund				
ASSETS				
Deposits and investments.....	\$ 2,991	\$ 40,446	\$ 39,863	\$ 3,574
Interest and other receivables	—	—	—	—
Interfund receivables	34	59	34	59
Deferred charges and other assets.....	—	—	—	—
Total assets	<u>\$ 3,025</u>	<u>\$ 40,505</u>	<u>\$ 39,897</u>	<u>\$ 3,633</u>
LIABILITIES				
Accounts payable.....	\$ 68	\$ 117	\$ 68	\$ 117
Interfund payables	—	—	—	—
Agency obligations:				
School and College Districts	—	—	—	—
Other liabilities	2,957	40,472	39,913	3,516
Other.....	—	—	—	—
Total liabilities	<u>\$ 3,025</u>	<u>\$ 40,589</u>	<u>\$ 39,981</u>	<u>\$ 3,633</u>
Deposits Fund				
ASSETS				
Deposits and investments.....	\$ 11,566	\$ 43,284	\$ 32,034	\$ 22,816
Interest and other receivables	1	—	—	1
Interfund receivables	166	103	176	93
Deferred charges and other assets.....	551	22	85	488
Total assets	<u>\$ 12,284</u>	<u>\$ 43,409</u>	<u>\$ 32,295</u>	<u>\$ 23,398</u>
LIABILITIES				
Accounts payable.....	\$ 760	\$ 1,832	\$ 2,190	\$ 402
Interfund payables	302	91	312	81
Agency obligations:				
School and College Districts	—	—	—	—
Other liabilities	11,222	42,812	31,119	22,915
Other.....	—	—	—	—
Total liabilities	<u>\$ 12,284</u>	<u>\$ 44,735</u>	<u>\$ 33,621</u>	<u>\$ 23,398</u>

(Continued)

CITY AND COUNTY OF SAN FRANCISCO

AGENCY FUNDS

Combining Statement of Changes in Assets and Liabilities—(Continued)

Year ended June 30, 1990

(In Thousands)

	Balance June 30, 1989	Additions	Deductions	Balance June 30, 1990
Assistance Program Fund				
ASSETS				
Deposits and investments	\$ 3,970	\$ 24,941	\$ 25,227	\$ 3,684
Interest and other receivables	1	3	—	4
Interfund receivables	161	3	161	3
Deferred charges and other assets	—	—	—	—
Total assets	<u>\$ 4,132</u>	<u>\$ 24,947</u>	<u>\$ 25,388</u>	<u>\$ 3,691</u>
LIABILITIES				
Accounts payable	\$ 1	\$ 257	\$ 134	\$ 124
Interfund payables	1,206	1,232	1,206	1,232
Agency obligations:				
School and College Districts	—	—	—	—
Other liabilities	2,925	24,669	25,259	2,335
Other	—	—	—	—
Total liabilities	<u>\$ 4,132</u>	<u>\$ 26,158</u>	<u>\$ 26,599</u>	<u>\$ 3,691</u>
Claims Settlement Fund				
ASSETS				
Deposits and investments	\$ 1,453	\$ 102	\$ 97	\$ 1,458
Interest and other receivables	—	—	—	—
Interfund receivables	—	—	—	—
Deferred charges and other assets	—	—	—	—
Total assets	<u>\$ 1,453</u>	<u>\$ 102</u>	<u>\$ 97</u>	<u>\$ 1,458</u>
LIABILITIES				
Accounts payable	\$ —	\$ 103	\$ 103	\$ —
Interfund payables	—	—	—	—
Agency obligations:				
School and College Districts	—	—	—	—
Other liabilities	1,453	95	90	1,458
Other	—	—	—	—
Total liabilities	<u>\$ 1,453</u>	<u>\$ 198</u>	<u>\$ 193</u>	<u>\$ 1,458</u>

(Continued)

CITY AND COUNTY OF SAN FRANCISCO

AGENCY FUNDS

Combining Statement of Changes in Assets and Liabilities—(Continued)

Year ended June 30, 1990

(In Thousands)

	Balance June 30, 1989	Additions	Deductions	Balance June 30, 1990
Deferred Compensation Plan Fund				
ASSETS				
Deposits and investments.....	\$ —	\$ —	\$ —	\$ —
Investments with trustee.....	115,338	32,691	6,408	141,621
Interest and other receivables.....	—	—	—	—
Interfund receivables.....	—	—	—	—
Deferred charges and other assets.....	—	—	—	—
Total assets.....	<u>\$115,338</u>	<u>\$ 32,691</u>	<u>\$ 6,408</u>	<u>\$141,621</u>
LIABILITIES				
Accounts payable.....	\$ —	\$ —	\$ —	\$ —
Interfund payables.....	—	—	—	—
Agency obligations:				
School and College Districts.....	—	—	—	—
Other liabilities.....	—	—	—	—
Other.....	115,338	32,691	6,408	141,621
Total liabilities.....	<u>\$115,338</u>	<u>\$ 32,691</u>	<u>\$ 6,408</u>	<u>\$141,621</u>
School and College District Fund				
ASSETS				
Deposits and investments.....	\$112,690	\$ 838,544	\$ 834,667	\$116,567
Interest and other receivables.....	19	11,687	7,785	3,921
Interfund receivables.....	—	16,099	16,093	6
Deferred charges and other assets.....	—	1,020	85	935
Total assets.....	<u>\$112,709</u>	<u>\$ 867,350</u>	<u>\$ 858,630</u>	<u>\$121,429</u>
LIABILITIES				
Accounts payable.....	\$ —	\$ 42,979	\$ 28,382	\$ 14,597
Interfund payables.....	1,212	19,914	17,308	3,818
Agency obligations:				
School and College Districts.....	111,497	926,325	934,808	103,014
Other liabilities.....	—	—	—	—
Other.....	—	—	—	—
Total liabilities.....	<u>\$112,709</u>	<u>\$ 989,218</u>	<u>\$ 980,498</u>	<u>\$121,429</u>

(Continued)

CITY AND COUNTY OF SAN FRANCISCO

AGENCY FUNDS

Combining Statement of Changes in Assets and Liabilities—(Continued)

Year ended June 30, 1990

(In Thousands)

	Balance June 30, 1989	Additions	Deductions	Balance June 30, 1990
Construction Deposits Fund				
ASSETS				
Deposits and investments	\$ —	\$ —	\$ —	\$ —
Investments with trustee	133,059	4,159	31,654	105,564
Interest and other receivables	—	—	—	—
Interfund receivables	—	—	—	—
Deferred charges and other assets	—	—	—	—
Total assets	<u>\$133,059</u>	<u>\$ 4,159</u>	<u>\$ 31,654</u>	<u>\$105,564</u>
LIABILITIES				
Accounts payable	\$ —	\$ 5	\$ —	\$ 5
Interfund payables	128,262	—	25,524	102,738
Agency obligations:				
School and College Districts	—	—	—	—
Other liabilities	—	—	—	—
Other	4,797	—	1,976	2,821
Total liabilities	<u>\$133,059</u>	<u>\$ 5</u>	<u>\$ 27,500</u>	<u>\$105,564</u>
Other Agency Funds				
ASSETS				
Deposits and investments	\$ 2,214	\$ 10,578	\$ 5,785	\$ 7,007
Interest and other receivables	—	446	—	446
Interfund receivables	17	68	17	68
Deferred charges and other assets	—	—	—	—
Total assets	<u>\$ 2,231</u>	<u>\$ 11,092</u>	<u>\$ 5,802</u>	<u>\$ 7,521</u>
LIABILITIES				
Accounts payable	\$ 87	\$ 531	\$ 534	\$ 84
Interfund payables	819	878	819	878
Agency obligations:				
School and College Districts	—	—	—	—
Other liabilities	894	10,091	4,777	6,208
Other	431	103	183	351
Total liabilities	<u>\$ 2,231</u>	<u>\$ 11,603</u>	<u>\$ 6,313</u>	<u>\$ 7,521</u>

(Continued)

CITY AND COUNTY OF SAN FRANCISCO

AGENCY FUNDS

Combining Statement of Changes in Assets and Liabilities—(Continued)

Year ended June 30, 1990

(In Thousands)

	Balance June 30, 1989	Additions	Deductions	Balance June 30, 1990
Total Agency Funds				
ASSETS				
Deposits and investments	\$147,001	\$1,997,531	\$1,967,995	\$176,537
Investments with trustee	248,397	36,850	38,062	247,185
Interest and other receivables	60,947	629,819	615,033	75,733
Interfund receivables	2,697	17,641	19,539	799
Deferred charges and other assets	551	1,042	170	1,423
Total assets	<u>\$459,593</u>	<u>\$2,682,883</u>	<u>\$2,640,799</u>	<u>\$501,677</u>
LIABILITIES				
Accounts payable	\$ 5,833	\$ 128,763	\$ 107,327	\$ 27,269
Interfund payables	132,489	22,920	46,251	109,158
Agency obligations:				
School and College Districts	111,497	926,325	934,808	103,014
Other liabilities	89,208	1,219,398	1,191,163	117,443
Other	<u>120,566</u>	<u>32,794</u>	<u>8,567</u>	<u>144,793</u>
Total liabilities	<u>\$459,593</u>	<u>\$2,330,200</u>	<u>\$2,288,116</u>	<u>\$501,677</u>

CITY AND COUNTY OF SAN FRANCISCO

AGENCY FUNDS

Schedule of Changes in Assets and Liabilities—
Individual Fund Grouping

Year ended June 30, 1990

(In Thousands)

	Assets				Liabilities			
	Balance June 30, 1989	Additions	Deductions	Balance June 30, 1990	Balance June 30, 1989	Additions	Deductions	Balance June 30, 1990
Other Agency Funds:								
Treasurer	\$ —	\$ 4,444	\$ —	\$4,444	\$ —	\$ 4,444	\$ —	\$4,444
Victims—Crimes of Violence	4	49	48	5	4	76	75	5
Street Improvement—1934								
Ordinance	—	6	6	—	—	6	6	—
Emergency Loan—Revolving Fund ...	805	—	805	—	805	—	805	—
Redevelopment Agency	—	1,064	1,064	—	—	1,063	1,063	—
State Sales Tax	5	82	84	3	5	100	102	3
State Penalties—Vehicle Code 42050	15	195	193	17	15	286	284	17
State Consumers' Use Tax	36	1,022	949	109	36	1,061	988	109
Tuolumne Occupancy Tax	12	35	35	12	12	59	59	12
Recreation/Park State Sales Tax	19	8	22	5	19	28	42	5
State—County Clerk	53	35	31	57	53	58	54	57
Bay Area Air Quality District	3	1,002	990	15	3	1,002	990	15
State Marriage License Fees	2	11	12	1	2	23	24	1
State Marriage Copy Fees	4	44	44	4	4	88	88	4
State Frozen Milk Inspection Fees ...	14	—	14	—	14	—	14	—
Death/Birth Certificates	79	193	212	60	79	351	370	60
Business Tax Suspense	740	1,900	1,095	1,545	740	1,945	1,140	1,545
State Hazardous Materials Fees	9	5	12	2	9	16	23	2
Abandoned Properties	—	16	3	13	—	16	3	13
Developers' Performance Bonds	431	103	183	351	431	103	183	351
Red Cross Earthquake Relief	—	432	—	432	—	432	—	432
San Francisco Loan Funds	—	446	—	446	—	446	—	446
Total	<u>\$2,231</u>	<u>\$11,092</u>	<u>\$ 5,802</u>	<u>\$7,521</u>	<u>\$2,231</u>	<u>\$11,603</u>	<u>\$ 6,313</u>	<u>\$7,521</u>

CITY AND COUNTY OF SAN FRANCISCO
GENERAL FIXED ASSETS ACCOUNT GROUP

Accounts for recorded fixed assets other than those accounted for in the proprietary type funds.

The City does not include infrastructure in its General Fixed Assets Account Group. Examples of infrastructure are roads, curbs and gutters, streets and sidewalks and similar assets that are immovable and of value only to the City.

General Fixed Assets are not depreciated.

CITY AND COUNTY OF SAN FRANCISCO
SCHEDULE OF GENERAL FIXED ASSETS BY FUNCTION AND TYPE

June 30, 1990

(In Thousands)

Function	Land	Facilities and Improvements	Machinery and Equipment	Construction in Progress	Property Held for Lease	Total
Public protection	\$ 5,933	\$ 90,072	\$ 45,647	\$ 36,316	\$ —	\$ 177,968
Public works, transportation and commerce	10,185	35,547	14,150	469	—	60,351
Human welfare and neighborhood development	190	15,966	3,650	1,075	29,950	50,831
Community health	413	9,917	7,919	2,481	—	20,730
Culture and recreation	41,963	398,806	31,689	138,352	—	610,810
General administration and finance	5,856	30,468	35,232	11,619	—	83,175
Total general fixed assets	<u>\$64,540</u>	<u>\$580,776</u>	<u>\$138,287</u>	<u>\$190,312</u>	<u>\$29,950</u>	<u>\$1,003,865</u>

SCHEDULE OF FUNDING SOURCES FOR GENERAL FIXED ASSETS

June 30, 1990

(In Thousands)

General investments in fixed assets acquired prior to July 1, 1987	\$ 742,768
Source of funding for general fixed assets acquired from July 1, 1987 through June 30, 1990:	
General Fund revenues	76,759
Special Revenue Funds revenues	57,829
General obligation bond proceeds	32,013
Lease revenue bond proceeds	83,504
Federal and state grants	4,315
Other	6,677
Total general fixed assets	<u>\$1,003,865</u>

Statistical Section

**CITY AND COUNTY OF SAN FRANCISCO
GENERAL REVENUES BY SOURCE(1)**

Last Ten Fiscal Years

(In Thousands)

Fiscal Year	Property Taxes	Business Taxes	Other Local Taxes	Grants and Subventions	Licenses, Fines and Penalties	Interest and Investment Earnings	Charges for Services	Other	Total
1981	\$186,415	\$ 58,773	\$125,872	\$329,786	\$28,872	\$33,192	\$58,230	\$ 1,385	\$ 822,525
% of Total	22.7	7.1	15.3	40.1	3.5	4.0	7.1	0.2	100.0
% Change	—	—	—	—	—	—	—	—	—
1982	204,227	103,116(2)	158,031	315,137	30,634	32,648	83,178	11,772	938,743
% of Total	21.8	11.0	16.8	33.6	3.3	3.5	8.9	1.1	100.0
% Change	9.6	75.4	25.5	(4.4)	6.1	(1.6)	42.8	750.0	14.1
1983	229,701	99,255	140,451	297,809	29,778	49,364	93,991	10,125	950,474
% of Total	24.2	10.4	14.8	31.3	3.1	5.2	9.9	1.1	100.0
% Change	12.5	(3.7)	(11.1)	(5.5)	(2.8)	51.2	13.0	(14.0)	1.2
1984	245,140	98,844	149,984	268,717	30,783	44,322	66,451(3)	8,453	912,694
% of Total	26.9	10.8	16.4	29.4	3.4	4.9	7.3	0.9	100.0
% Change	6.7	(0.4)	6.8	(9.8)	3.4	(10.2)	(29.3)	(16.5)	(4.0)
1985	285,460	94,986	168,830	291,753	29,372	37,006	71,714	6,027	985,148
% of Total	29.0	9.6	17.1	29.6	3.0	3.8	7.3	0.6	100.0
% Change	16.4	(3.9)	12.6	8.6	(4.6)	(16.5)	7.9	(28.7)	7.9
1986	328,475	111,631	185,308	311,173	36,879	37,083	79,218	6,869	1,096,636
% of Total	30.0	10.2	16.9	28.4	3.4	3.4	7.2	0.5	100.0
% Change	15.1	17.5	9.8	6.7	25.6	0.2	10.5	14.0	11.3
1987	352,562	113,082	200,773	301,114	39,414	28,966	94,719	9,371	1,140,001
% of Total	30.9	9.9	17.6	26.4	3.5	2.5	8.3	0.9	100.0
% Change	7.3	1.3	8.3	(3.2)	6.9	(21.9)	19.6	36.4	4.0
1988	382,194	120,055	218,697	347,989	45,267	25,748	78,606	11,402	1,229,958
% of Total	31.1	9.7	17.8	28.3	3.7	2.1	6.4	0.9	100.0
% Change	8.4	6.2	8.9	15.6	14.9	(11.1)	(17.0)	21.7	7.9
1989	410,125	142,713	229,846	362,908	50,527	30,410	81,518	13,886	1,321,933
% of Total	31.0	10.8	17.4	27.4	3.8	2.3	6.2	1.1	100.0
% Change	7.3	18.9	5.1	4.3	11.6	18.1	3.7	21.8	7.5
1990	457,867	152,265	228,964	443,821	50,296	31,714	90,956	12,795	1,468,678
% of Total	31.1	10.4	15.6	30.2	3.4	2.2	6.2	0.9	100.0
% Change	11.6	6.7	(0.4)	22.3	(0.5)	4.3	11.6	(7.9)	11.1

(Notes on following page)

CITY AND COUNTY OF SAN FRANCISCO
GENERAL REVENUES BY SOURCE—CONSTANT DOLLAR VALUE(1)(4)

Last Ten Fiscal Years

(In Thousands)

Fiscal Year	Property Taxes	Business Taxes	Other Local Taxes	Grants and Subventions	Licenses, Fines and Penalties	Interest and Investment Earnings	Charges for Services	Other	Total
1981	\$186,415	\$58,773	\$125,872	\$329,786	\$28,872	\$33,192	\$58,230	\$1,385	\$822,525
% of Total	22.7	7.1	15.3	40.1	3.5	4.0	7.1	0.2	100.0
% Change	—	—	—	—	—	—	—	—	—
1982	189,931	95,898 (2)	146,969	293,077	28,490	30,363	77,356	10,948	873,032
% of Total	21.8	11.0	16.8	33.6	3.3	3.5	8.9	1.1	100.0
% Change	1.9	63.2	16.8	(11.1)	(1.3)	(8.5)	32.8	690.5	6.1
1983	211,856	91,544	129,540	274,673	27,465	45,529	86,689	9,338	876,634
% of Total	24.2	10.4	14.8	31.3	3.1	5.2	9.9	1.1	100.0
% Change	11.5	(4.5)	(11.9)	(6.3)	(3.6)	49.9	12.1	(14.7)	0.4
1984	213,865	86,234	130,849	234,434	26,856	38,667	57,973 (3)	7,375	796,253
% of Total	26.9	10.8	16.4	29.4	3.4	4.9	7.3	0.9	100.0
% Change	0.9	(5.8)	1.0	(14.6)	(2.2)	(15.1)	(33.1)	(21.0)	(9.2)
1985	239,026	79,535	141,367	244,295	24,594	30,986	60,049	5,047	824,899
% of Total	29.0	9.6	17.1	29.6	3.0	3.8	7.3	0.6	100.0
% Change	11.8	(7.8)	8.0	4.2	(8.4)	(19.9)	3.6	(31.6)	3.6
1986	266,409	90,538	150,293	252,376	29,911	30,076	64,249	5,571	889,423
% of Total	30.0	10.2	16.9	28.4	3.4	3.4	7.2	0.5	100.0
% Change	11.5	13.8	6.3	3.3	21.6	(2.9)	7.0	10.4	7.8
1987	280,561	89,988	159,771	239,620	31,365	23,051	75,375	7,457	907,188
% of Total	30.9	9.8	17.6	26.4	3.5	2.5	8.3	1.0	100.0
% Change	5.3	(0.6)	6.3	(5.1)	4.9	(23.4)	17.3	33.9	2.0
1988	294,401	92,477	168,461	268,053	34,869	19,833	60,550	8,783	947,427
% of Total	31.1	9.7	17.8	28.3	3.7	2.1	6.4	0.9	100.0
% Change	4.9	2.8	5.4	11.9	11.2	(14.0)	(19.7)	17.8	4.4
1989	300,960	104,726	168,667	266,311	37,078	22,316	59,820	10,190	970,068
% of Total	31.0	10.8	17.4	27.4	3.8	2.3	6.2	1.1	100.0
% Change	2.2	13.2	0.1	(0.6)	6.3	12.5	(1.2)	16.0	2.4
1990	322,670	107,305	161,356	312,771	35,445	22,350	64,099	9,017	1,035,013
% of Total	31.1	10.4	15.6	30.2	3.4	2.2	6.2	0.9	100.0
% Change	7.2	2.5	(4.3)	17.4	(4.4)	0.2	7.2	(11.5)	6.7

Notes:

- (1) Includes General, Special Revenue and Debt Service Funds.
- (2) Includes settlement of litigation regarding increase in the local business taxes in the amount of \$53.1 million.
- (3) Reflects separation of Laguna Honda Hospital as an enterprise starting FY 1983-84.
- (4) The information for the years 1982 through 1990 has been adjusted to the 1981 value of the dollar, using the average Consumer Price Index-Urban for each year. This information has been provided for informational purposes as an indication of the true changes in the City's revenues since 1981.

CITY AND COUNTY OF SAN FRANCISCO
GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION(1)

Last Ten Fiscal Years

(In Thousands)

Fiscal Year	Public Protection	Public Works, Transportation and Commerce	Human Welfare and Neighborhood Development	Community Health	Culture and Recreation	General Administration and Finance	Debt Service	Total
1981	\$235,222	\$33,755	\$196,757	\$ 80,865	\$42,376	\$ 48,979	\$17,499	\$ 655,453
% of Total	35.9	5.1	30.0	12.3	6.5	7.5	2.7	100.0
% Change	—	—	—	—	—	—	—	—
1982	296,507	46,797	194,799	106,454	51,578	68,883	17,636	782,654
% of Total	37.9	6.0	24.9	13.6	6.6	8.8	2.2	100.0
% Change	26.1	38.6	(1.0)	31.6	21.7	40.6	0.8	19.4
1983	294,008	44,721	192,111	113,128	67,901	85,152	23,198	820,219
% of Total	35.8	5.5	23.4	13.8	8.3	10.4	2.8	100.0
% Change	(0.8)	(4.4)	(1.4)	6.3	31.6	23.6	31.5	4.8
1984	335,207	51,828	193,345	82,426(2)	72,906	71,581	26,619	833,912
% of Total	40.2	6.2	23.2	9.9	8.7	8.6	3.2	100.0
% Change	14.0	15.9	0.6	(27.1)	7.4	(15.9)	14.7	1.7
1985	367,456	56,391	205,811	99,690	80,529	104,600	25,905	940,382
% of Total	39.1	6.0	21.9	10.6	8.6	11.1	2.7	100.0
% Change	9.6	8.8	6.4	20.9	10.5	46.1	(2.7)	12.8
1986	383,514	57,442	211,912	112,660	86,467	83,245	26,208	961,448
% of Total	39.9	6.0	22.0	11.7	9.0	8.7	2.7	100.0
% Change	4.4	1.9	3.0	13.0	7.4	(20.4)	1.2	2.2
1987	408,352	65,308	228,635	122,200	95,933	114,781	25,106	1,060,315
% of Total	38.5	6.2	21.6	11.5	9.0	10.8	2.4	100.0
% Change	6.5	13.7	7.9	8.5	10.9	37.9	(4.2)	10.3
1988	419,009	66,424	235,127	132,505	100,510	125,115	31,301	1,109,991
% of Total	37.7	6.0	21.2	11.9	9.1	11.3	2.8	100.0
% Change	2.6	1.7	2.8	8.4	4.8	9.0	24.7	4.7
1989	422,096	62,832	245,917	136,800	101,416	134,375	32,441	1,135,877
% of Total	37.2	5.5	21.7	12.0	8.9	11.8	2.9	100.0
% Change	0.7	(5.4)	4.6	3.2	0.9	7.4	3.6	2.3
1990	451,575	75,645	275,066	163,771	116,972	128,562	51,405	1,262,996
% of Total	35.7	6.0	21.7	13.0	9.3	10.2	4.1	100.0
% Change	<u>7.0</u>	<u>20.4</u>	<u>11.9</u>	<u>19.7</u>	<u>15.3</u>	<u>(4.3)</u>	<u>58.5</u>	<u>11.2</u>

(Notes on following page)

CITY AND COUNTY OF SAN FRANCISCO
GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION—
CONSTANT DOLLAR VALUE(1) (3)

Last Ten Fiscal Years

(In Thousands)

Fiscal Year	Public Protection	Public Works, Transportation and Commerce	Human Welfare and Neighborhood Development	Community Health	Culture and Recreation	General Administration and Finance	Debt Service	Total
1981	\$235,222	\$33,755	\$196,757	\$ 80,865	\$42,376	\$48,979	\$17,499	\$655,453
% of Total	35.9	5.1	30.0	12.3	6.5	7.5	2.7	100.0
% Change	—	—	—	—	—	—	—	—
1982	275,752	43,521	181,163	99,002	47,968	64,061	16,401	727,868
% of Total	37.9	6.0	24.9	13.6	6.6	8.8	2.2	100.0
% Change	17.2	28.9	(7.9)	22.4	13.2	30.8	(6.3)	11.0
1983	271,168	41,247	177,187	104,340	62,626	78,537	21,396	756,501
% of Total	35.8	5.5	23.4	13.8	8.3	10.4	2.8	100.0
% Change	(1.7)	(5.2)	(2.2)	5.4	30.6	22.6	30.5	3.9
1984	292,441	45,216	168,678	71,910(2)	63,605	62,449	23,223	727,522
% of Total	40.2	6.2	23.2	9.9	8.7	8.6	3.2	100.0
% Change	7.8	9.6	(4.8)	(31.1)	1.6	(20.5)	8.5	(3.8)
1985	307,684	47,218	172,333	83,474	67,430	87,585	21,691	787,415
% of Total	39.1	6.0	21.9	10.6	8.6	11.1	2.7	100.0
% Change	5.2	4.4	2.2	16.1	6.0	40.3	(6.6)	8.2
1986	311,048	46,588	171,870	91,373	70,129	67,516	21,256	779,780
% of Total	39.9	6.0	22.0	11.7	9.0	8.7	2.7	100.0
% Change	1.1	(1.3)	(0.3)	9.5	4.0	(22.9)	(2.0)	(1.0)
1987	324,958	51,971	181,943	97,244	76,341	91,340	19,979	843,776
% of Total	38.5	6.2	21.6	11.5	9.0	10.8	2.4	100.0
% Change	4.5	11.6	5.9	6.4	8.9	35.3	(6.0)	8.2
1988	322,670	51,166	181,117	102,068	77,422	96,375	24,111	855,019
% of Total	37.7	6.0	21.2	11.9	9.1	11.3	2.8	100.0
% Change	(0.7)	(1.5)	(0.5)	5.0	1.4	5.5	20.7	1.3
1989	309,744	46,108	180,460	100,387	74,422	98,608	23,806	833,535
% of Total	37.3	5.5	21.6	12.0	8.9	11.8	2.9	100.0
% Change	(4.0)	(9.9)	(0.4)	(1.6)	(3.9)	2.3	(1.3)	(2.5)
1990	318,235	53,309	193,845	115,413	82,433	90,601	36,226	890,062
% of Total	35.7	6.0	21.7	13.0	9.3	10.2	4.1	100.0
% Change	2.7	15.6	7.4	15.0	10.8	(8.1)	52.2	6.8

Notes:

- (1) Includes General, Special Revenue and Debt Service Funds.
- (2) Reflects separation of Laguna Honda Hospital as an enterprise starting FY 1983-84.
- (3) The information for the years 1982 through 1990 has been adjusted to the 1981 value of the dollar, using the average Consumer Price Index-Urban for each year. This information has been provided for information purposes as an indication of the true changes in the expenditure level of the City since 1981.

CITY AND COUNTY OF SAN FRANCISCO
PROPERTY TAX LEVIES AND COLLECTIONS (1) (2)

Last Ten Fiscal Years

(In Thousands)

<u>Fiscal Year</u>	<u>Total Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percent of Levy Collections</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>	<u>Percent of Total Tax Collections to Tax Levy</u>	<u>Outstanding Delinquent Taxes</u>	<u>Percent of Delinquent Taxes to Tax Levy</u>
1981	\$220,618	\$213,760	96.9%	\$ 4,370	\$218,130	98.9%	\$22,553	10.2%
1982	239,591	230,405	96.2	4,595	235,000	98.1	26,318	11.0
1983	266,815	255,142	95.6	7,251	262,393	98.3	30,507	11.4
1984	296,305	285,051	96.2	8,085	293,136	98.9	33,670	11.4
1985	329,422	318,195	96.6	6,895	325,090	98.7	34,190	10.4
1986	367,832	354,105	96.3	9,865	363,970	99.0	34,767	9.4
1987	395,861	383,661	96.9	9,051	392,712	99.2	32,019	8.1
1988	427,227	414,407	97.0	10,084	424,491	99.4	34,755	8.1
1989	460,380	445,445	96.8	10,015	455,460	98.9	35,291	7.7
1990	<u>504,770</u>	<u>485,106</u>	<u>96.1</u>	<u>12,233</u>	<u>497,339</u>	<u>98.5</u>	<u>40,573</u>	<u>8.0</u>

Notes

- (1) Includes San Francisco Unified School District, San Francisco Community College District, Bay Area Rapid Transit District, Bay Area Air Quality Management District and San Francisco Redevelopment Agency.
- (2) Does not include SB-813 supplemental property tax which was added in FY 1983-84.

CITY AND COUNTY OF SAN FRANCISCO
ASSESSED VALUE OF TAXABLE PROPERTY (1)
Last Ten Fiscal Years
(In Thousands)

Fiscal Year	Assessed Value			Exclusions(2)			Assessed Values Less Exclusions	Net Increase	
	Real Property	Personal Property	Total	Non-Reimbursable	Reimbursable	Redevelopment Tax Increments		Amount	Percentage
1981	\$18,148,528	\$1,060,652	\$19,209,180	\$ 858,555	\$ 678,465	—	\$17,672,160	\$1,269,132	7.7%
1982	20,121,201	1,116,260	21,237,461	920,752	674,682	—	19,642,027	1,969,867	11.1
1983	22,927,325	1,389,202	24,316,527	892,145	675,386	—	22,748,996	3,106,969	15.8
1984	25,860,965	1,465,453	27,326,418	1,033,477	673,139	\$ 162,031	25,457,771	2,708,775	11.9
1985	29,016,181	1,565,417	30,581,598	1,099,514	672,723	225,065	28,584,296	3,126,525	12.3
1986	31,970,466	1,660,966	33,631,432	1,076,052	675,954	364,195	31,515,231	2,930,935	10.3
1987	35,494,479	2,073,048	37,567,527	1,128,424	678,295	545,121	35,215,687	3,700,456	11.7
1988	38,223,024	2,706,877	40,929,901	1,278,326	679,707	1,086,489	37,885,379	2,669,692	7.6
1989	41,471,587	2,974,647	44,446,234	1,284,280	678,845	1,196,806	41,286,303	3,400,924	9.0
1990	45,535,945	2,577,612	48,113,557	1,312,989	673,206	1,212,645	44,914,717	3,628,414	8.8

Notes:

- (1) Assessed value (full cash value) of taxable property represents all property within the City. FY 1981-82 and thereafter the assessed value is 100% of the full cash value in accordance with State legislation. The maximum tax rate is 1% of the full cash value or \$1/\$100 of the assessed value, excluding the tax rate for debt service. For comparison purposes all years show full cash value as assessed value.
- (2) Exclusions are summarized as follows:
 - a) Non-reimbursable exemptions are revenues lost to City because of provisions of California Constitution, Article XIII(3).
 - b) Reimbursable exemptions arise from Article XIII(25) which reimburses local governments for revenues lost through the homeowners' exemption in Article XIII(3)(k).
 - c) Tax increments are allocations made to the San Francisco Redevelopment Agency under authority of California Constitution, Article XVI. Actual allocations are limited under an indebtedness agreement between the City and the Redevelopment Agency.

CITY AND COUNTY OF SAN FRANCISCO
PROPERTY TAX RATES(1)
ALL OVERLAPPING GOVERNMENTS
Last Ten Fiscal Years

Fiscal Year	City and County of San Francisco				San Francisco Unified School District	San Francisco Community College District	Bay Area Air Quality Management District	Bay Area Rapid Transit District(2)	Total
	General Fund	Special Revenue Fund	Debt Service Funds	Total					
1981	87515650	.025000	14134200	1.04149850	.08489700	.01444425	.00208550	.08707525	1.2300
1982 (3)	80963287	.025000	11085700	.94548987	.14160404	.02479542	.00208539	.07602528	1.1900
1983	87515654	.025000	.09881451	.99897105	.08537406	.01444422	.00208539	.06912528	1.1700
1984	87515654	.025000	.08041369	.98057023	.08487488	.01444422	.00208539	.06802528	1.1500
1985	87515654	.025000	.07550000	.97565654	.08428859	.01444422	.00208539	.06352528	1.1400
1986	87515654	.025000	.08260370	.98276024	.08358487	.01444422	.00208539	.05712528	1.1400
1987	87515654	.025000	.06199807	.96215461	.08289050	.01444422	.00208539	.04842528	1.1100
1988	87515654	.025000	.05541626	.95557280	.08257231	.01444422	.00208539	.04532528	1.1000
1989	87515654	.025000	.04763229	.94778883	.08215628	.01444422	.00208539	.04352528	1.0900
1990	87515654	.025000	.05343897	.95359551	.08164960	.01444422	.00208539	.03822528	1.0900

Notes

- (1) For comparison purposes the tax rates for all years have been adjusted to conform to legislative action for years ending June 30, 1982 and thereafter. See note (3) below.
- (2) Amounts collected are primarily for overlapping debt service.
- (3) For FY 1981-82 and thereafter the assessed value is 100% of full cash value and the tax rate is 1% of this full cash value, excluding the tax rate necessary for voter-approved debt service.

CITY AND COUNTY OF SAN FRANCISCO
RATIO OF NET GENERAL BONDED DEBT TO
FULL CASH VALUE AND NET BONDED DEBT PER CAPITA

Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Full Cash Value (2) (3)</u>	<u>Gross Bonded Debt (2) (4)</u>	<u>Debt Service Monies Available (2)</u>	<u>Debt Payable from Enterprise Revenue (2)</u>	<u>Net General Bonded Debt (2)</u>	<u>Ratio of Net General Bonded Debt to Full Cash Value</u>	<u>Net General Bonded Debt Per Capita</u>
1981	680,661	\$18,350,625	\$ 660,777	\$ 34,362	\$491,665	\$134,750	.73%	\$197.97
1982	691,924	20,316,709	652,150	33,679	500,025	118,446	.58	171.18
1983	705,652	23,424,382	738,678	44,024	574,394	120,260	.51	170.42
1984	706,924	26,130,910	796,330	75,129	618,511	102,690	.39	145.26
1985	719,154	29,482,084	885,356	92,089	707,662	85,605	.29	119.04
1986	741,568	32,191,185	1,000,545	103,689	826,981	69,875	.22	94.23
1987	742,681	35,893,982	962,550	101,092	761,468	99,990	.28	134.63
1988	741,250	38,565,086	959,702	93,479	751,543	114,680	.30	154.71
1989	731,693	41,965,148	1,170,817	90,668	877,537	202,612	.48	276.91
1990	<u>726,962</u>	<u>45,587,923</u>	<u>1,241,588</u>	<u>99,176</u>	<u>924,648</u>	<u>217,764 (5)</u>	<u>.48</u>	<u>299.55</u>

Notes:

- (1) Source—State of California, Department of Finance.
- (2) In thousands.
- (3) Includes all taxable property within the City and County of San Francisco, less properties subject to non-reimbursable exemptions and Redevelopment tax increments.
- (4) Excludes San Francisco Redevelopment Agency revenue bonds and nonprofit corporation obligations. Amounts are exclusive of bond discount or premium.
- (5) Includes \$13.6 million in water and power bonds and \$33.6 million in sewer and water pollution control bonds—see notes 5 and 9(c) to the combined financial statements.

**CITY AND COUNTY OF SAN FRANCISCO
COMPUTATION OF LEGAL DEBT MARGIN**

June 30, 1990

(In Thousands)

Total full cash value		\$48,113,557
Less: Non-reimbursable exemptions and Redevelopment tax increments		<u>2,525,634</u>
Basis of levy		<u>\$45,587,923</u>
Debt limit—3 percent of valuation subject to taxation		\$ 1,367,638
Amount of debt applicable to debt limit	\$219,600	
Less: Net assets in General Obligation Bonds Fund	<u>1,836</u>	
Net general bonded debt	217,764	
Other deductions allowed by law (1):		
Bonded indebtedness—Water/Hetch Hetchy; Clean Water Program	<u>47,190</u>	
Total amount of debt applicable to debt limit		<u>170,574</u>
Legal debt margin		<u>\$ 1,197,064</u>

Note:

(1) Charter Section 6.401 Limitations on Bonded Indebtedness.

"(a) ... Bonded indebtedness heretofore or hereafter created for water supply, storage or distribution purposes ... shall be exclusive of the limitations on the amount of bonded indebtedness of the City and County ...".

CITY AND COUNTY OF SAN FRANCISCO
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
June 30, 1990

<u>Jurisdiction</u>	<u>Total General Debt Outstanding</u>	<u>Percent Applicable to City and County of San Francisco</u>	<u>Amount Applicable to City and County of San Francisco</u>
City and County of San Francisco	\$219,600,000	100.0%	\$219,600,000
Bay Area Rapid Transit District	349,100,000	31.7	110,664,700
Total			<u>\$330,264,700</u>
Population—1990			726,962
Per Capita Direct and Overlapping Debt			<u>\$ 454.31</u>

**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR
GENERAL BONDED DEBT TO TOTAL GENERAL EXPENDITURES (1) (2)**

Last Ten Fiscal Years
(In Thousands)

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Total General Expenditures</u>	<u>Ratio of Debt Service to Total General Expenditures</u>
1981	\$18,555	\$ 7,373	\$25,928	\$ 655,453	4.0%
1982	17,572	6,585	24,157	782,654	3.1
1983	16,751	5,758	22,509	820,219	2.7
1984	17,570	6,268	23,838	833,912	2.8
1985	17,085	5,361	22,446	940,382	2.4
1986	18,235	5,616	23,851	961,448	2.5
1987	18,200	6,395	24,595	1,060,315	2.3
1988	16,340	6,682	23,022	1,109,991	2.1
1989	10,720	9,454	20,174	1,135,877	1.8
1990	<u>14,240</u>	<u>13,231</u>	<u>27,471</u>	<u>1,262,996</u>	<u>2.2</u>

Notes

- (1) Includes General, Special Revenue and Debt Service Funds.
- (2) Includes General Obligation Bonds of Water Department/Hetch Hetchy Project and Clean Water Program as explained in notes 5 and 9(c) and (g) to the combined financial statements.

CITY AND COUNTY OF SAN FRANCISCO
DEBT SERVICE COVERAGE BY ENTERPRISE REVENUES
AIRPORT, PORT, CLEAN WATER(1), MUNICIPAL RAILWAY(2) AND
WATER/HETCH HETCHY(6)

Last Ten Fiscal Years

(In Thousands)

Fiscal Year	Gross Revenue (4)	Direct Operating Expenses (5)	Net Revenue Available for Debt Service	Debt Services Requirements(3)			Debt Service Coverage
				Principal	Interest	Total	
1981	\$167,579	\$ 67,500	\$100,079	\$19,364	\$29,939	\$ 49,303	2.03
1982(2)	337,102	235,700	101,402	21,384	36,034	57,418	1.77
1983	348,560	243,929	104,631	22,594	34,792	57,386	1.82
1984	366,503	281,649	84,854	26,934	48,406	75,340	1.13
1985	427,052	336,203	90,849	22,820	51,251	74,071	1.23
1986	657,821	532,396	125,425	19,605	66,226	85,831	1.46
1987	637,996	536,979	101,017	19,910	64,167	84,077	1.20
1988	704,592	570,880	133,712	19,625	63,093	82,718	1.62
1989	653,404	526,924	126,480	20,165	67,005	87,170	1.45
1990	<u>670,816</u>	<u>543,804</u>	<u>127,012</u>	<u>26,829</u>	<u>74,280</u>	<u>101,109</u>	<u>1.26</u>

Notes:

- (1) In FY 1987-88 and FY 1988-89 operating transfers of \$6.5 million and \$6.3 million, respectively, were made from property tax revenues in the Debt Service Fund to supplement a customer rate increase, to provide for general obligation debt service of the enterprise fund. A similar transfer for \$6.1 million was made in FY 1989-90.
- (2) The combined operations and debt of the San Francisco Municipal Railway and the San Francisco Municipal Railway Improvement Corporation (SFMRIC) are included as their financial statements were combined for the first time in FY 1981-82, resulting in inclusion of SFMRIC debt. Restatement of prior years amounts is not considered practicable.
- (3) Covers general obligation and revenue bonds for all indicated enterprise funds. Water Department/Hetch Hetchy Project general obligations bonds are excluded as explained in note 5 and 9(c) to combined financial statements. Similarly, Clean Water Program general obligation bonds are excluded since FY 1985-86 as explained in note 9(g) to combined financial statements.
- (4) Gross revenue includes operating revenues, non-operating revenues and operating transfers in except transfers directly committed to repayment of general obligation debt service.
- (5) Direct operating expenses include operating expenses (except depreciation), non-operating expenses (except interest expense) and operating transfers out.
- (6) Includes Water/Hetch Hetchy due to sale of \$104.4 million Water Department revenue bonds during FY 1985-86. In FY 1987-88, \$106.1 million Water Department revenue refunding bonds were issued thereby defeasing the \$104 million revenue bonds.

CITY AND COUNTY OF SAN FRANCISCO
DEMOGRAPHIC STATISTICS
Last Ten Fiscal Years

Year	Population(1)	Per Capita Income	Median Age(2)	Public School Enrollment(3)	Unemployment Rate(4)
1981	680,661	\$13,000(1)	34.1	57,430	6.7%
1982	691,924	13,377(2)	34.9	56,605	9.5
1983	705,652	12,883(2)	34.9	61,090	9.2
1984	706,928	13,077(2)	34.9	61,433	7.8
1985	719,154	14,321(2)	35.0	67,399	6.4
1986	741,568	15,945(2)	35.2	68,803	5.7
1987	742,681	17,311(2)	35.5	69,169	5.1
1988	741,250	18,806(2)	35.8	68,540	4.4
1989	731,693	18,409(2)	36.1	67,132	4.2
1990	726,962	20,158(2)	36.4	66,589	3.9

Sources: (1) State Department of Finance
 (2) Sales and Marketing Management—1990 Survey of Buying Power
 (3) San Francisco Unified School District
 (4) State Department of Employment Development

CONSTRUCTION, BANK DEPOSITS AND PROPERTY VALUE
Last Ten Fiscal Years

Year Ended	Authorized New Dwelling Units	Value of Building Permits(1)		Bank Deposits(1)(4)	Real Property Values(1)(2)		
		Residential	Nonresidential		Residential	Nonresidential	Nontaxable
1981	1,242(3)	\$170,448(3)	\$545,046(3)	\$32,396,134	\$ 9,985,904	\$ 9,223,235	\$ 858,552
1982	1,215(3)	190,243(3)	853,880(3)	35,716,615	10,899,568	9,221,633	920,753
1983	1,167(3)	175,188(3)	825,476(3)	32,801,189	12,217,054	10,710,271	892,145
1984	1,313(3)	188,297(3)	674,381(3)	26,760,998	12,945,768	11,935,383	979,814
1985	1,096(5)	228,114(5)	522,011(5)	24,222,093	15,235,325	12,236,232	1,099,514
1986	1,427(5)	306,217(5)	731,048(5)	35,229,579(6)	16,501,324	13,899,210	1,100,000
1987	2,565(5)	420,842(5)	442,256(5)	32,576,614(6)	18,111,261	15,319,912	1,285,585
1988	2,439(5)	348,821(5)	593,005(5)	35,227,013(6)	19,835,823	16,704,566	1,329,366
1989	1,924(5)	364,253(5)	429,971(5)	34,916,971(6)	23,478,469	22,162,707	1,315,761
1990	291(5)	295,998(5)	523,083(5)	N/A	25,878,511	23,845,436	1,369,596

N/A—Not available.

Note: (1) In thousands.

Source: (2) Assessor, City and County of San Francisco (excludes State Board Roll).

(3) Security Pacific National Bank, Economic Research Division (calendar year basis).

(4) State Banking Department.

(5) Department of Public Works—Central Permit Bureau, City and County of San Francisco (fiscal year basis).

(6) Includes savings and loan deposits.

CITY AND COUNTY OF SAN FRANCISCO

PRINCIPAL TAXPAYERS

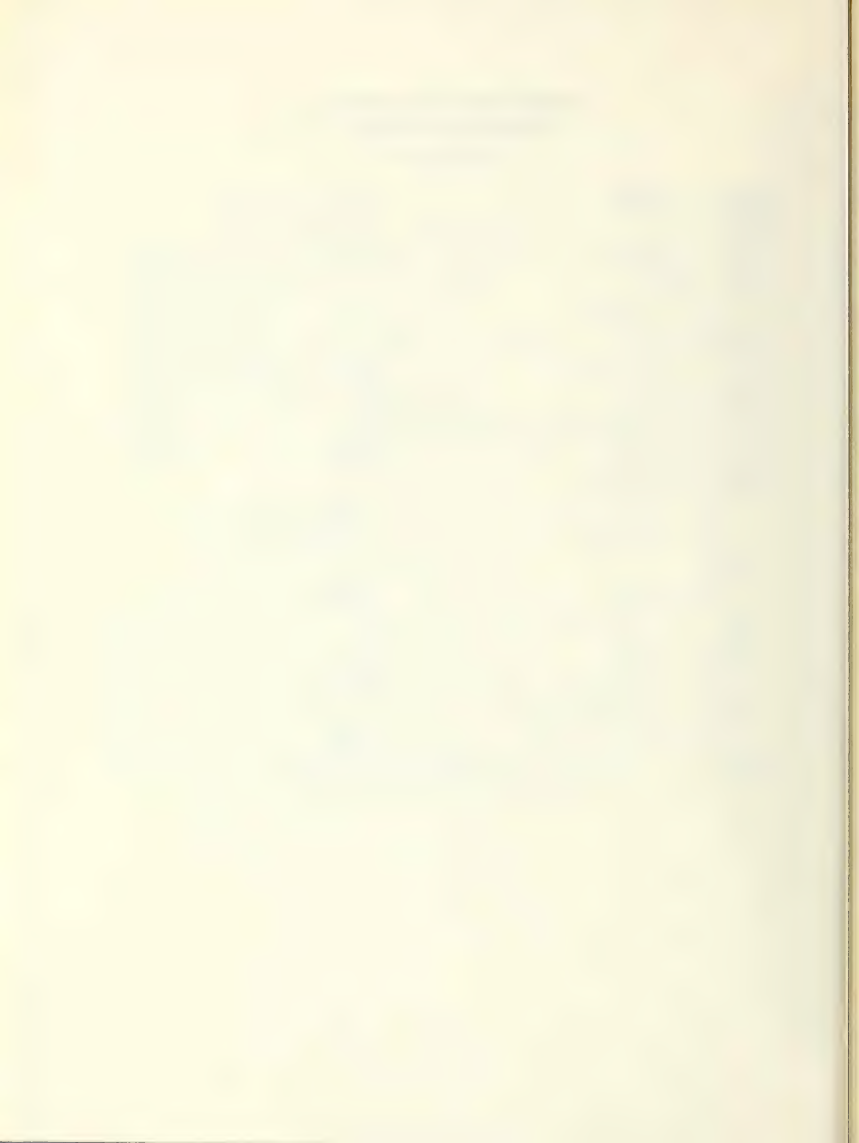
June 30, 1990

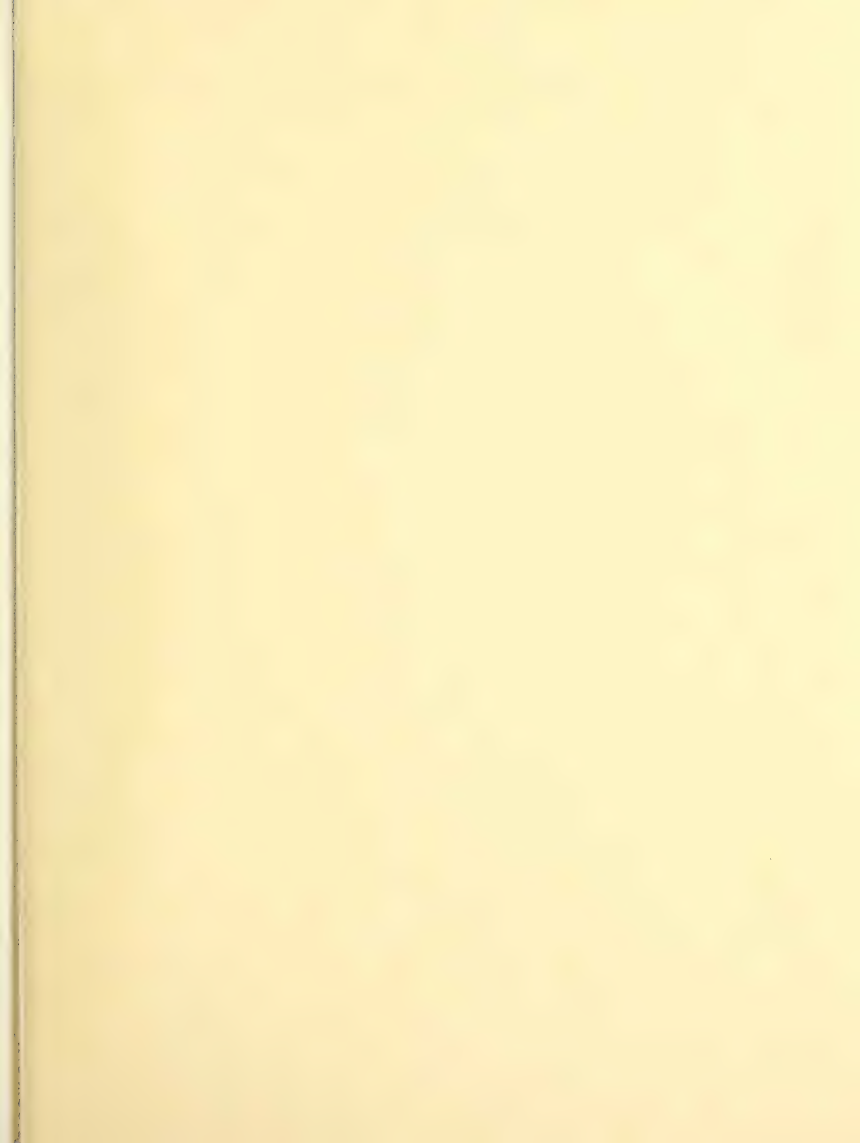
<u>Taxpayer</u>	<u>Type of Business</u>	<u>1990 Assessed Valuation (in 000's)</u>	<u>Percentage of Total Assessed Valuation</u>
Pacific Bell	Utilities, Communications	\$1,281,233	2.57%
Pacific Gas & Electric Company....	Utilities	1,272,640	2.56
555 California Street Partners.....	Office, Commercial	714,404	1.44
Embarcadero Center (Includes Hyatt Regency Hotel-Embarcadero West)	Office, Commercial, Hotel	673,880	1.36
Marriot Hotel	Hotel	442,450	.89
Post Montgomery Associates (formerly Crocker Center)	Office, Commercial	284,955	.57
101 California	Office, Building	237,056	.48
333 Bush	Office, Commercial & Residential	202,650	.41
Stonestown	Office, Commercial & Residential	192,507	.39
Hilton Square	Hotel	175,444	.35
		<u>\$5,477,219</u>	<u>11.02%</u>

CITY AND COUNTY OF SAN FRANCISCO
MISCELLANEOUS STATISTICS
June 30, 1990

Date of incorporation	April 15, 1850
Form of government	Chartered City and County
Area	46.1 square miles
Miles of streets	850.4 miles
Number of street lights	38,499
Fire protection:	
Number of stations	41
Number of firefighters	1,383
Police protection:	
Number of stations	9
Number of police officers	1,808
Education (K-12):	
Attendance centers	109
Number of classrooms	3,216
Number of teachers	3,758
Number of students	61,615
Municipal water department:	
Number of services	173,106
Average daily consumption	244.0 million gallons per day (1)
Miles of water mains	1,240 miles
Sewers:	
Collecting sewers	750 miles
Transport sewers	150 miles
Authorized new dwelling units	291
Recreation and culture:	
Number of parks	225
Number of libraries	27
Number of library volumes	2,009,875
Employees (including police and fire):	
Classified service	23,420
Exempt	2,685

(1) Includes 166.2 million gallons per day consumed by suburban water users.







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COMPREHENSIVE ANNUAL FINANCIAL REPORT

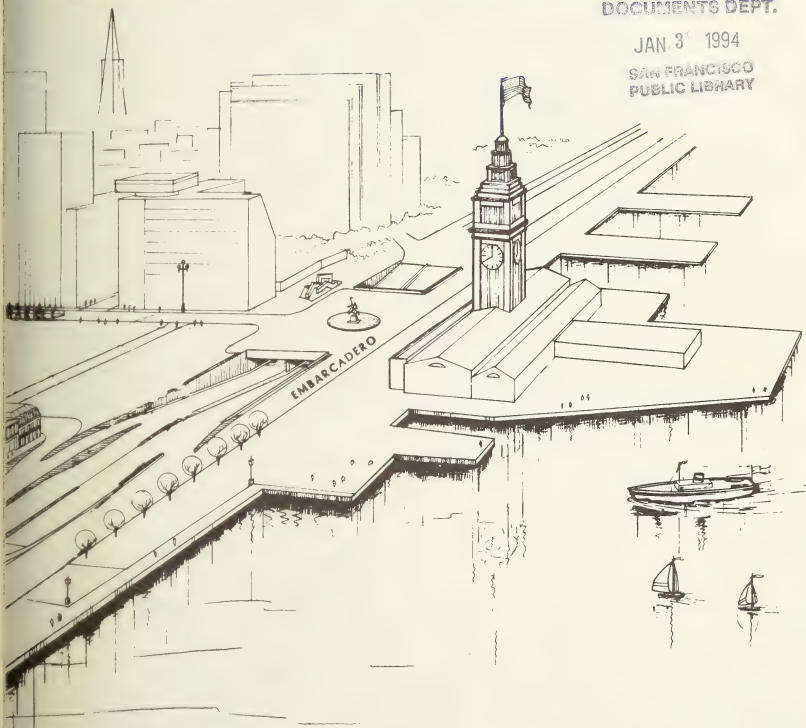
City and County
of San Francisco California

Controller.

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For the Year Ended
June 30, 1991

Waterfront Renaissance

*An artist's rendering of one of the options for the City's plan to
recreate the waterfront. The Embarcadero freeway which was damaged
in the 1989 earthquake has been torn down allowing the downtown
business district to once again be connected to the Port.
The Ferry Building, built in 1898, will be the centerpiece of a new
\$100 million project including a park, landscaped boulevard and new
light rail and historic trolley transit service from the new
neighborhood of Mission Bay to the City's famed Fisherman's Wharf.*



CITY AND COUNTY OF SAN FRANCISCO, CALIFORNIA

Comprehensive Annual Financial Report

Year ended June 30, 1991



**Prepared by:
Office of the Controller**

A handwritten signature in dark ink, appearing to read "Edward Harrington", is written over a horizontal line.

**Edward Harrington
Controller**

CITY AND COUNTY OF SAN FRANCISCO

Comprehensive Annual Financial Report Year ended June 30, 1991

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November 6, 1991

The Honorable Mayor and the Honorable
Board of Supervisors
City and County of
San Francisco, California

I am pleased to present the Comprehensive Annual Financial Report (CAFR) of the City and County of San Francisco, California (the City) for the fiscal year ended June 30, 1991 with the independent auditors' report, submitted in compliance with City Charter Sections 3.302, 3.303, and 3.305 and California Government Code Sections 25250 and 25253. The CAFR has been prepared by the Controller's Office in conformance with the principles and standards for financial reporting set forth by the Governmental Accounting Standards Board (GASB). Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. I believe that the data, as presented, is accurate in all material respects; that its presentation fairly shows the financial position and the results of the City's operations as measured by the financial activity of its various funds; and that the included disclosures will provide the reader with a full understanding of the City's financial affairs.

Our Comprehensive Annual Financial Report is divided into three sections:

The Introductory Section includes information about the organizational structure of the City, its accounting and budgetary systems, and fund structure. It also has summarized data reflecting the financial condition of the City including an analysis of general government operations, enterprise operations, and debt administration.

The Financial Section is prepared using the pyramid approach prescribed by the GASB. It includes the General Purpose Financial Statements presenting the combined statements as an overview of the City's entire financial operations. Next, combining and individual fund and account group statements present each of the material separate funds and account groups of the City. Schedules provide certain other information and details of data summarized in the financial statements. The statements and schedules included in this section pertain to those operations which, when taken together, make up the reporting entity of the City. Also included in this section is the Independent Auditors' Report on the financial statements and schedules.

The Statistical Section includes tables containing historical financial data, debt statistics, and miscellaneous social and economic data of the City that are of interest to potential investors in our bonds and to other readers. The data includes ten-year revenue and expenditure information on an inflation adjusted basis.

THE REPORTING ENTITY AND ITS SERVICES

This CAFR includes all component units, funds and account groups of the City as described in notes 1 and 2 to the combined financial statements. We considered the oversight responsibility of the Mayor and the Board of Supervisors and the scope of public service in determining those departments, agencies, commissions, boards, activities, and functions whose financial information should be included

Office of Controller

in the CAFR. Oversight responsibility includes the ability to significantly influence operations, select the governing authority, designate management and participate in fiscal management. The general governmental funds provide a full range of services, including all the functions delegated to cities and counties under state law. (See the organization chart on page xiv for a comprehensive listing.) Included also are the enterprise operations of San Francisco International Airport, San Francisco General Hospital Medical Center, Laguna Honda Hospital, Port of San Francisco, Clean Water Program, Water Department/Hetch Hetchy Project, and Municipal Railway and Municipal Railway Improvement Corporation; the operations of ten nonprofit corporations associated with the City; the operations of the San Francisco County Transportation Authority; the operations of the San Francisco Redevelopment Agency and its Financing Authority; and the operations of the Employees' Retirement System and Health Service System.

The San Francisco Unified School District, San Francisco Community College, San Francisco Housing Authority, and Private Industry Council of San Francisco were not included because they have only limited relationships with the City. The City is represented in two regional agencies, the Bay Area Rapid Transit District (BART), and the Bay Area Air Quality Management District (BAAQM) which are also excluded from the City's reporting entity.

SAN FRANCISCO'S ECONOMY

San Francisco's economy continued to grow during fiscal year 1990-91 and has only recently begun to feel the effects of the national recession, albeit with less impact than that felt by our neighbors, the state and many other areas of the country. Taxable sales grew 5.9% in the fiscal year; in per capita income, we ranked 27th among 3,105 counties nationwide. Visitor spending was up 6% over last year with hotel occupancy rates still 5% above the national average even though our hotel room capacity has increased by 20% in the last five years. In September, 1991 San Francisco was named the Best City in the world by the readers of "Conde Nast Traveler's Magazine," the first time any American City has been chosen for this honor.

Seasonally adjusted unemployment at December, 1990 stood at 4.3% for San Francisco, while it was 6.6% for California and 5.9% for the U.S. San Francisco's office vacancy rate was the second lowest of the top ten U.S. office real estate markets. The Port of San Francisco doubled its cargo handling making it the fastest growing container shipping port of the top 20 American ports and moving it up from 20th to 12th in ranking.

While the effects of the 1989 earthquake are largely behind us, the Bay Area is experiencing the worst drought on record which has reduced hydroelectric power revenues allocable to the General Fund by \$10 million in each of the last two years. Growth in assessed valuation of taxable property has dropped from the double-digit era of the mid-1980's to 9.3% in fiscal year 1990-91. While actual San Francisco general government revenues increased by 5.9%, General Fund revenue still was \$29 million below budget, and its unreserved fund balance available for appropriation on a budget basis, fell to \$3.7 million as of June 30, 1991. In anticipation of slower revenue growth, the General Fund's budget for fiscal year 1991-92 projected an increase of only 3.5% in revenue, while maintaining current services and providing for a \$9 million contingency reserve.

MAJOR INITIATIVES

Over the past year, San Francisco has either started or made significant progress on a variety of major development projects which promise to enhance its economic vitality and quality of life. The Waterfront Renaissance Project is described on the front cover flap of this report.

The Yerba Buena Center, an 87-acre redevelopment project area and one of the largest and most complex redevelopment plans in the country, continues to move toward completion. It includes Moscone

Office of Controller

Convention Center which completed the largest convention center ballroom on the West Coast in December 1990 and by May, 1992 will double its existing convention and exhibit capacity. Yerba Buena Center also will include a performing and visual arts center, a major hotel, 1,200 units of subsidized housing, mostly for the elderly, and 700 "market rate" living units. Nearby, a 200,000 square foot, privately funded Museum of Modern Art will be built by 1995.

Mission Bay, a new neighborhood projected to provide five million square feet of office space, 25,000 new jobs and thousands of new affordable and market rate units of housing continues the planning process. A \$200 million international cruise terminal, the Scandinavian Center, is under development. A 9.6 square mile area of the City has achieved Enterprise Zone status enabling businesses in the area to receive tax credits for job creation and low interest loans.

Design work has been completed on a new Main Library which will double the useable space of the current library and complete the original 1912 Grand Beaux Artes master plan for the Civic Center. The existing library will become the home of our Asian Art Museum.

The San Francisco International Airport has completed a master plan that calls for a doubling of capacity by the year 2000. And in 1991, the City opened a trade office in Taipei, Taiwan to stimulate economic activity between San Francisco and the Pacific Rim.

At the November, 1991 election, the voters of San Francisco passed an early retirement plan for city workers designed to save \$20 million per year over the next twenty years. They also passed charter changes relating to collective bargaining for employees to make the City's salary setting process more responsive to economic circumstances, and changed numerous civil service rules and regulations to provide enhanced flexibility in management/labor relations. Finally, the voters decided to set aside a portion of property taxes for the next ten years to pay for expanded services for children and youth worth approximately \$13 million per year.

ACCOUNTING AND BUDGETING SYSTEMS

The City's financial picture is more readily understood with a general introduction to our accounting and budgeting systems. These systems provide the means for allocation of available resources and for the proper control and recording of revenues and expenditures.

The City's accounting records are maintained on a modified accrual basis for all governmental fund types and expendable trust and agency funds. Using this basis, expenditures other than interest on long-term debt are recorded when the liabilities are expected to be liquidated within the next year, and revenues are recorded when susceptible to accrual; that is, when both measurable and available. All other funds use the accrual basis where transactions are recognized when they occur, regardless of the timing of the related cash flow. Note 2 describes the City's significant accounting policies.

As part of our ongoing effort to maintain fiscal stewardship and financial accountability, the City uses a fully computerized Financial Accounting Management Information System (FAMIS). Modifications and enhancements have been made continuously to FAMIS to keep abreast of changing accounting techniques and principles. FAMIS is based on the single transaction concept of processing, where all relevant files and reports are updated from a single input of information. Lookup tables are used to conform all accounting and classification treatments and may be changed by simple file maintenance initiated by the Controller's Office. Thus structured, FAMIS provides:

- (1) General and subsidiary accounting of all funds.
- (2) Appropriation accounting for all budgeted items.
- (3) Object-of-expenditure control.
- (4) Departmental cost and operating accounting.
- (5) Function and program accounting.
- (6) Project cost accounting.
- (7) Integrated Treasury management for pooled cash.

Office of Controller

In developing and evaluating the City's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within the above framework. We believe that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

The City's budget is a detailed operating plan which identifies estimated costs and results in relation to estimated revenues. The budget includes (1) the programs, projects, services, and activities to be carried on during the fiscal year, (2) the estimated revenue available to finance the operating plan, and (3) the estimated spending requirements of the operating plan. The budget represents a process where policy decisions by the Mayor and Board of Supervisors are made, implemented, and controlled. Note 2(d) to the CAFR summarizes the budgetary roles of various City officials and the timetable for their various budgetary actions according to the City Charter.

FINANCIAL SUMMARY

The following describes the significant financial highlights of the City's operations for the year ended June 30, 1991.

General Government Functions

The general government functions are contained in the General, Special Revenue and Debt Service Funds. These funds account for the major portion of the City's operating revenues and expenditures. Revenues for general government functions totaled approximately \$1,556 million in fiscal year 1991, an increase of approximately 5.9% from fiscal year 1990. The following table presents the amount of revenues from various sources as well as increases or decreases from the prior year.

Revenues Classified by Source General, Special Revenue, and Debt Service Funds (In Thousands)

Revenues by Source	Amount	% of Total	Increase / (Decrease) Over 1990	
			Amount	% of Change
Property taxes	\$ 483,887	31.1%	\$26,020	5.7%
Business taxes	156,771	10.1	4,506	3.0
Other local taxes	272,577	17.5	43,613	19.0
Grants and subventions	450,405	29.0	6,584	1.5
Licenses, fines, and penalties	50,222	3.2	(74)	(0.1)
Interest and investment earnings	31,534	2.0	(180)	(0.6)
Charges for services	92,904	6.0	1,948	2.1
Other	17,245	1.1	4,450	34.8
Total	<u>\$1,555,545</u>	<u>100.0%</u>	<u>\$86,867</u>	<u>5.9%</u>

Office of Controller

Property tax revenues increased 5.7% (\$26.0 million). Modest growth in the City's assessed valuations added \$21.4 million to the General Fund and Special Revenue Fund's revenue, and the increased general obligation bonds debt service requirements added \$4.6 million. Business tax revenues grew 3.0% (\$4.5 million). Other local taxes increased 19.0% (\$43.6 millions); however, \$38.3 million of this growth represents the first full year of sales taxes for the Transportation Authority which is included in Special Revenue Funds. Basic sale tax revenue for the General Fund increased 5.9% (\$5.0 million). Hotel tax revenues increased 9.7% (\$6.2 million) and Property Transfer taxes decreased 33.9% (\$7.0 million). All other revenue services increased or decreased by minor amounts.

Expenditures for general government functions totaled \$1,392 million in fiscal year 1991, an increase of 10.2% over fiscal year 1990. Expenditures by major service area and increases or decreases from the prior year are shown in the following table.

Expenditures Classified by Major Service Area General, Special Revenue, and Debt Service Funds (In Thousands)

Expenditure by Major Service Area	Amount	% of Total	Increase/(Decrease) Over 1990	
			Amount	% of Change
Public protection	\$ 472,915	34.0%	\$ 21,340	4.7%
Public works, transportation, and commerce	82,905	6.0	7,260	9.6
Human welfare and neighborhood development	304,817	21.9	29,751	10.8
Community health	194,786	14.0	31,015	18.9
Culture and recreation	120,338	8.6	3,366	2.9
General administration and finance	147,460	10.6	18,898	14.7
Debt service:				
Principal retirement	39,360	2.8	15,110	62.3
Interest and fiscal charges	29,623	2.1	2,468	9.1
Total	<u>\$1,392,204</u>	<u>100.0%</u>	<u>\$129,208</u>	<u>10.2%</u>

Public Protection expenditures increased 4.7% (\$21.3 million, net of \$7.5 million related to Police staff transferred to the new Parking and Traffic Commission included in the Public Works, Transportation and Commerce service area). The bulk of the increases was salary and fringe benefits. Both the Superior and Municipal Courts had significant cost increases on contractual services (court appointed attorneys, interpreters, etc.).

Human Welfare and Neighborhood Development increased 10.8% (\$29.8 million), primarily due to assistance programs in the Department of Social Services (\$23.6 million) and State Department of Housing grants (\$4.7 million) for housing programs.

The Community Health service area expenditures increased 18.9% (\$31.0 million). Service provider costs (contractual services) for a variety of health programs, primarily AIDS, increased approximately \$19.0 million and mental health program costs increased approximately \$11.0 million.

General Administration and Finance increased 14.7% (\$18.9 million). The bulk of the increase was related to claims litigation and employee liabilities (workers' compensation, etc.). Debt Service costs included the July 1, 1990 maturity of the Redevelopment Agency's Yerba Buena Center Liquidity Facility Revenue Bonds (\$16.8 million).

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Enterprise Operations

The public service enterprise operations are financed and operated similarly to private businesses. Costs (including depreciation) of providing services to the general public are recovered in whole or in part through user charges. The following table shows actual revenues, expenses and results of operations for the current fiscal year (in thousands):

	Operating Revenues	Operating Expenses	Operating Income (Loss)	Non- Operating Revenues (Expenses)	Net Operating Transfers In (Out)	Net Income (Loss)
Airport	\$157,442	\$120,723	\$ 36,719	\$(10,842)	\$(14,086)	\$ 11,791
Port	33,124	31,351	1,773	(5,263)	—	(3,490)
Water/Hetch Hetchy	142,860	136,101	6,759	3,072	(15,000)	(5,169)
Muni Railway	82,302	285,417	(203,115)	73,281	122,062	(7,772)
Laguna Honda Hospital	75,469	89,571	(14,102)	613	13,464	(25)
General Hospital	124,033	233,882	(109,849)	32,595	72,240	(5,014)
Clean Water	72,729	80,037	(7,308)	(13,183)	4,614	(15,877)
Parking Garages/Other	16,515	10,681	5,834	(672)	(1,048)	4,114
Total	<u>\$704,474</u>	<u>\$987,763</u>	<u>\$(283,289)</u>	<u>\$ 79,601</u>	<u>\$182,246</u>	<u>\$(21,442)</u>

Pension Trust Fund Operations

The City has a defined benefit retirement plan in which substantially all full-time employees participate. The plan's most recent actuarial calculations, as of June 30, 1990, estimates an unfunded pension benefit obligation of \$1,022 million. The City's Charter requires full funding by June 30, 2000. Historical trend information (note 8) shows steady progress in meeting that requirement.

A Charter amendment (Proposition A) was approved by the voters in the November 5, 1991 election providing for an early retirement program for General members of the retirement plan. The proposal would add three years of age and three years of service when calculating the service retirement benefits for all members who elect to retire during February or March, 1992. At present, it is not possible to determine the potential effects, in any, this Charter amendment may have on the retirement plan.

Debt Administration

The City's ratio of net bonded debt to taxable valuation and the amount of bonded debt per capita are useful indicators of our debt position to management, citizens, and investors. A comparison of these indicators follows:

	1991	1990
Net tax supported bonded debt	\$390,292,000	\$217,764,000
Net bonded debt per capita	537.07	299.55
Ratio of net bonded debt to taxable valuation	.78	.48
Tax rate per \$100 taxable valuation	.06	.05

As of June 30, 1991, the City had \$394.6 million in authorized, outstanding property tax-supported general obligation bonds. Remaining authorized, unissued general obligation bonds totaled \$406.2 million. Our current ratings on general obligation bonds are:

Moody's Investors Service, Inc.	Aa
Standard and Poor's Corporation	AA

The City is also responsible for collecting taxes to pay a portion of general obligation debt of the Bay Area Rapid Transit District (BART). The City taxpayers are responsible for \$97.7 million or approximately 31.0% of BART outstanding debt.

Office of Controller

Cash Management

The City's pooled deposits and investments are invested pursuant to policy established by the Treasurer which seeks preservation of capital, liquidity and yield, in that order of priority. The policy addresses soundness of financial institutions holding our assets and the types of investments permitted by the California Government Code. The earned yield for the current fiscal year was 8.2%. The Employees' Retirement Systems and the Redevelopment Agency deposits and investments are maintained outside the City Treasury and follow policies established by their respective governing boards.

Risk Management

With few exceptions, the City does not purchase commercial insurance against property, liability or workers' compensation risks. The major enterprise fund departments (Airport, Municipal Railway, Water/Hetch Hetchy and Port), whose uninsured losses must be paid from their own revenues, account for 90% of insurance purchased by the City. The balance of insurance is purchased by the General Fund for departments as required by bond financing and for art at City-owned museums. The City's insurance/self-insurance program is reviewed annually in the budget process.

The City self insures for workers' compensation claims. A portion of the estimated cost is allocated to each department according to a formula which considers claims payment history (experience) and payroll (exposure). This increases the visibility of workers' compensation issues in each department, and creates financial accountability in General Fund departments. In order to better control the costs of workers' compensation, the Risk Management Office is working with interested departments to develop workers' compensation programs tailored to the needs of each department. The programs focus on accident prevention, investigation and a return-to-work modified duty program.

Fund Balances

At June 30, 1991, the City had a \$64.3 million deficit in its General Fund unreserved-undesignated fund balance, as determined under generally accepted accounting principles, which reflects accrued liabilities of \$68.9 million for incurred liabilities (e.g., claims litigation, workers' compensation liability and employee benefit expenses) which will be budgeted and paid in fiscal year 1991-92. General Fund reserved fund balances include \$10.0 million reserved by ordinance but which require appropriations for actual expenditure as described in note 3 to the combined financial statements, and \$5.7 million for appropriations which had been made but where specific commitments or expenditures had not yet occurred. Accordingly, these appropriations have been carried forward to fiscal year 1991-92.

As explained in note 3, the City prepares its budget on an accounting basis different from generally accepted accounting principles. The unappropriated budgetary fund balance at June 30, 1991 was \$3.7 million. The fiscal year 1991-92 General Fund budget established budgetary reserves of \$30.4 million which required utilization of all but \$2 million of the prior year fund balance.

At June 30, 1991, the Special Revenue and Capital Projects fund types had unreserved fund balances of \$205.4 million and appropriations carried forward of \$198.4 million, as presented in the accompanying combined financial statements. These fund balances may be used only for specific purposes.

INDEPENDENT AUDIT

The City's Charter requires an annual audit of the Controller's records. The financial statements of the Office of the Controller and the combined financial statements included in the Comprehensive Annual Financial Report were audited by a consortium headed by the nationally recognized certified public accounting firm, KPMG Peat Marwick. The various enterprise funds, the Employees' Retirement System,

Office of Controller

the Health Service System the San Francisco County Transportation Authority and the Redevelopment Agency were separately audited.

The report from the consortium of independent auditors, KPMG Peat Marwick, Williams, Adley and Company and Chek F. Tan (representing a separate consortium known as Associated Asian CPA Firms), on our current financial statements is presented in the Financial Section.

CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 1990 as it did for the eight preceding years.

To be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized CAFR, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. We believe our current report continues to conform to Certificate of Achievement for Excellence in Financial Reporting requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

ACKNOWLEDGEMENTS

I would like to express my appreciation to the entire staff of the Controller's Office whose professionalism, dedication and efficiency are responsible for the timely preparation of this report. I would like to thank KPMG Peat Marwick for their invaluable professional assistance. Finally, I thank the Mayor, the Board of Supervisors and the Audit Advisory Committee for their continued interest and unfailing support in planning and conducting the City's financial operations in a responsible and progressive manner.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Edward Harrington", written in a cursive style.

Edward Harrington
Controller

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City and County of
San Francisco, California

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 1990

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFR's) achieve the highest standards in government accounting and financial reporting.



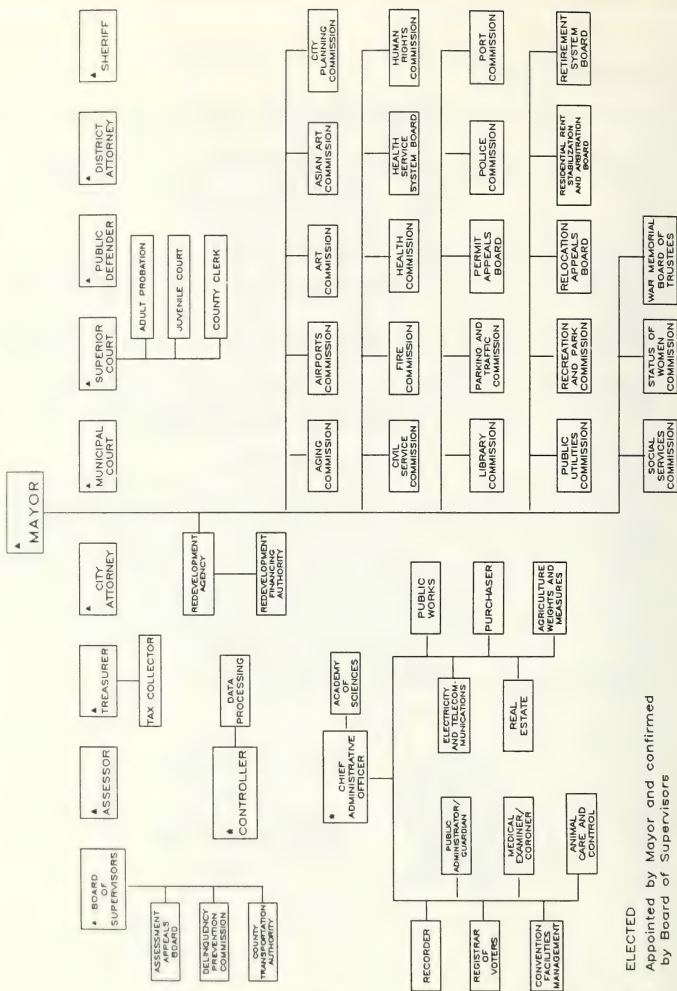
Gary R. Hornum

President

Jeffrey L. Esser

Executive Director

San Francisco City and County Government



▲ ELECTED

★ Appointed by Mayor and confirmed by Board of Supervisors

CITY AND COUNTY OF SAN FRANCISCO

List of Principal Officials as of June 30, 1991

ELECTED OFFICIALS

Mayor	Art Agnos
Board of Supervisors:	
President	Doris M. Ward
Supervisor	Roberta Achtenberg
Supervisor	Angela Alioto
Supervisor	Harry G. Britt
Supervisor	Jim Gonzalez
Supervisor	Terence Hallinan
Supervisor	Tom Hsieh
Supervisor	Willie B. Kennedy
Supervisor	Bill Maher
Supervisor	Carole Migden
Supervisor	Kevin F. Shelley
Assessor	Richard Hongisto
City Attorney	Louise H. Renne
District Attorney	Arlo Smith
Public Defender	Jeff Brown
Sheriff	Michael Hennessey
Treasurer/Tax Collector	Mary Callanan
Superior Court (29 Departments)	
Presiding Judge	John Dearman
Municipal Court (20 Departments)	
Presiding Judge	Ronald Evans Quidachay

APPOINTED OFFICIALS

Chief Administrative Officer	Rudolf Nothenberg
Controller	Edward Harrington

DEPARTMENT DIRECTORS

Chief Adult Probation Officer	Arlene Sausser
Executive Director of Commission on the Aging	Joyce J. Ream
Commissioner of Agriculture/Sealer of Weights and Measures	G. Evan Weeth
Director of Airports	Louis A. Turpen
Director of Animal Care and Control	Carl Friedman
Director of Art Commission	Joanne Chow Winship
Director of Asian Art Commission	Rand Castile
Director of California Academy of Sciences	Roy Eisenhardt
Clerk of the Board of Supervisors	John L. Taylor
General Manager of Personnel, Civil Service Commission	John J. Walsh
Director of Convention Facilities	Jack Moerschbaeher
County Clerk	Donald Dickinson
General Manager of Electricity and Telecommunications	H. Daniel McFarland
Director of Fine Arts Museums	Harry S. Parker III
Fire Chief	Frederick Postel

DEPARTMENT DIRECTORS—(Continued)

Executive Director of Health Service System	Randall B. Smith
Director of Health	Raymond Baxter, Ph.D
Acting Deputy Director for Community Mental Health Services	Florence Stroud
Executive Administrator of San Francisco General Hospital Medical Center	Richard Cordova
Executive Administrator of Laguna Honda Hospital	Anthony Wagner
Executive Director of Human Rights Commission	Edwin Lee
Chief Probation Officer—Juvenile Court	Fred Jordan
City Librarian	Kenneth E. Dowlin
Law Librarian	Marcia Bell
Chief Medical Examiner/Coroner	Boyd G. Stephens, M.D.
Director of Parking Authority	Phil Chin
Executive Director of Parking and Traffic	Rina Cutler
Executive Director of Permit Appeals Board	Robert H. Feldman
Director of City Planning	Dean Macris
Chief of Police	Willis Casey
Port Director	Michael P. Huerta
Public Administrator/Public Guardian	Ricardo Hernandez
General Manager of Public Utilities Commission	Thomas J. Elzey
General Manager of Hetch Hetchy Project	Anson Moran
General Manager of Municipal Railway	Johnny Stein
General Manager of Water	John Mullane
Director of Public Works	Richard Evans
Executive Director of Clean Water Program	Robert T. Cockburn
Director of Purchasing	Marvin Geistlinger
Director of Real Estate	Anthony DeLucchi
Recorder	Bruce Jamison
General Manager of Recreation and Park Commission	Mary Burns
Executive Director of San Francisco Redevelopment Agency	Edward N. Helfeld
Registrar of Voters	Germaine Wong
Director of Residential Rent Stabilization and Arbitration Board	Joseph Grubb
General Manager of Employees' Retirement System	Clare M. Murphy
General Manager of Social Services	Julia I. Lopez
Director of Commission on Status of Women	Sharon Johnson
Managing Director of War Memorial	Thelma Shelley

Financial Section

INDEPENDENT AUDITORS' REPORT

The Honorable Mayor and Board of Supervisors
City and County of San Francisco, California

We have audited the combined financial statements of the City and County of San Francisco, California as of and for the year ended June 30, 1991, as listed in the accompanying table of contents. These combined financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these combined financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the combined financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of the City and County of San Francisco, California as of June 30, 1991, and the results of its operations and the cash flows of its proprietary and nonexpendable trust fund types for the year then ended in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the combined financial statements taken as a whole. The combining, individual fund, and individual account group financial statements and schedules listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the combined financial statements of the City and County of San Francisco, California. Such information has been subjected to the auditing procedures applied in the audit of the combined financial statements and, in our opinion, is fairly stated in all material respects in relation to the combined financial statements taken as a whole.

As discussed in note 2(o) to the combined financial statements, the City and County of San Francisco, California adopted Statement No. 9 of the Governmental Accounting Standards Board which requires the presentations of a statement of cash flows and certain other disclosures.

KPMG Peat Marwick
Chek F. Tan
Williams, Adley & Company

San Francisco, California
November 6, 1991

Combined Financial Statements
(General Purpose Financial Statements)

CITY AND COUNTY OF SAN FRANCISCO
Combined Balance Sheet—All Fund Types and Account Groups
June 30, 1991
(In Thousands)

ASSETS AND OTHER DEBITS

	Governmental Fund Types				Proprietary Fund Types		Fiduciary Fund Types	Account Groups		
	General	Special Revenue	Debt Service	Capital Projects	Enterprise (Note 9)	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Obligations	Total (Memorandum Only)
Deposits and investments (note 4)	\$ 1,449	\$155,788	\$ 4,410	\$287,277	\$ 354,943	\$ 2,055	\$ 258,830	\$ —	\$ —	\$ 1,064,752
Investments with trustee (note 4)	—	2,960	19,339	2,074	12,639	—	4,526,061	—	—	4,563,073
Receivables (net of allowance for uncollectible amounts of \$19,760)										
Property taxes and penalties ..	48,669	1,027	3,304	—	—	—	—	—	—	53,000
Other local taxes	80,397	17,279	—	—	—	—	—	—	—	97,676
Federal and state grants and subventions	22,345	25,549	—	3,809	47,107	—	—	—	—	98,810
Charges for services	2,161	—	—	—	108,939	641	—	—	—	111,741
Interest and other	3,431	2,225	51	1,999	17,634	—	162,795	—	—	188,135
Due from other funds (note 11) ..	72,540	53,398	1,874	68,542	14,012	7,175	4,772	—	—	222,313
Loans receivable	—	32,837	—	15,456	—	—	—	—	—	48,293
Inventories	236	251	—	—	27,757	118	—	—	—	28,362
Restricted assets										
Deposits and investments (note 4)	—	—	—	—	513,010	—	—	—	—	513,010
Investments with trustee (note 4)	—	—	—	—	149,374	—	—	—	—	149,374
Grants and other receivables ..	—	—	—	—	31,972	—	—	—	—	31,972
Property held for resale and/or lease (note 10)	—	—	—	93,936	—	—	—	—	—	93,936
Fixed assets (net of accumulated depreciation in proprietary fund types) (note 6)	—	—	—	—	2,820,508	3,272	—	1,157,939	—	3,981,719
Deferred charges and other assets	967	9,164	—	—	5,924	144	4,808	—	—	21,007
Amount available in Debt Service Funds	—	—	—	—	—	—	—	—	24,989	24,989
Amount to be provided for long-term obligations	—	—	—	—	—	—	—	—	791,620	791,620
Total assets and other debits	\$232,195	\$300,478	\$28,978	\$473,093	\$4,103,819	\$13,405	\$4,957,266	\$1,157,939	\$816,609	\$12,083,782

(Continued)

See accompanying notes to combined financial statements.

CITY AND COUNTY OF SAN FRANCISCO
Combined Balance Sheet—All Fund Types and Account Groups—(Continued)
June 30, 1991
(In Thousands)
LIABILITIES

	Governmental Fund Types				Proprietary Fund Types		Fiduciary Fund Types	Account Groups		
	General	Special Revenue	Debt Service	Capital Projects	Enterprise (Note 9)	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Obligations	Total (Memorandum Only)
Accounts payable	\$ 14,015	\$ 13,590	\$ 310	\$ 14,661	\$ 50,057	\$ 1,849	\$ 26,434	\$ —	\$ —	\$ 120,916
Accrued payroll	39,589	10,171	—	—	32,702	1,077	213	—	—	83,752
Accrued vacation and sick leave pay (note 7)	30,167	—	—	403	43,812	—	450	—	47,520	122,352
Accrued workers' compensation (notes 7 and 12)	15,000	—	—	—	34,452	—	—	—	58,260	107,712
Estimated claims payable (notes 7 and 12)	23,708	—	—	—	18,108	—	9,104	—	25,424	76,344
Deferred tax, grant and subvention revenues	39,749	19,753	—	262	—	—	—	—	—	59,764
Due to other funds (note 11) ..	25,530	45,548	91	1,898	78,904	2,089	68,253	—	—	222,313
Agency obligations:										
School and College Districts ..	—	—	—	—	—	—	125,239	—	—	125,239
Other	—	—	—	—	—	—	116,372	—	—	116,372
Deferred credits and other liabilities	18,355	47,245	3,588	40,506	40,291	5	188,166	—	—	338,156
Bond interest payable	—	—	—	—	18,585	—	—	—	—	18,585
Bonds, loans and capital leases payable (notes 7 and 12)	—	—	—	—	1,267,759	141	—	—	685,405	1,953,305
Liabilities payable from restricted assets	—	—	—	—	37,363	—	—	—	—	37,363
Total liabilities	206,113	136,307	3,989	57,730	1,622,033	5,161	534,231	—	816,609	3,382,173
FUND EQUITY AND OTHER CREDITS										
Investment in general fixed assets	—	—	—	—	—	—	—	1,157,939	—	1,157,939
Contributed capital, net	—	—	—	—	1,311,206	4,143	—	—	—	1,315,349
Retained earnings:										
Reserved	—	—	—	—	—	3,654	—	—	—	3,654
Unreserved	—	—	—	—	1,170,580	447	—	—	—	1,171,027
Fund balances:										
Reserved for employees' retirement/health benefits	—	—	—	—	—	—	4,413,133	—	—	4,413,133
Reserved by charter for cash requirements	48,534	—	—	—	—	—	—	—	—	48,534
Reserved by charter for emergencies	4,862	—	—	—	—	—	—	—	—	4,862
Reserved for inventory type assets not available for appropriation	1,808	6,238	—	—	—	—	346	—	—	8,392
Reserved for property held for resale and/or lease (note 10)	—	—	—	93,936	—	—	—	—	—	93,936
Reserved for debt service	—	—	24,989	—	—	—	—	—	—	24,989
Reserved for encumbrances ..	19,494	11,918	—	63,634	—	—	—	—	—	95,046
Reserved for appropriation carryforward	5,714	89,037	—	109,380	—	—	4,698	—	—	208,829
Reserved for subsequent years' budgets	9,981	—	—	—	—	—	—	—	—	9,981
Unreserved—undesignated (deficit)	(64,311)	56,978	—	148,413	—	—	4,858	—	—	145,938
Total fund equity and other credits	26,082	164,171	24,989	415,363	2,481,786	8,244	4,423,035	1,157,939	—	8,701,609
Total liabilities, fund equity and other credits	\$232,195	\$300,478	\$28,978	\$473,093	\$4,103,819	\$13,405	\$4,957,266	\$1,157,939	\$816,609	\$12,083,782

See accompanying notes to combined financial statements.

CITY AND COUNTY OF SAN FRANCISCO
Combined Statement of Revenues, Expenditures
and Changes in Fund Balances—
All Governmental Fund Types and Expendable Trust Fund
Year ended June 30, 1991
(In Thousands)

	Governmental Fund Types				Fiduciary Fund Type	Total (Memoran- dum Only)
	General	Special Revenue	Debt Service	Capital Projects	Expendable Trust	
Revenues:						
Property taxes	\$ 441,639	\$ 12,475	\$29,773	\$ 3,413	\$ —	\$ 487,300
Business taxes	156,394	377	—	—	—	156,771
Other local taxes	171,190	101,387	—	—	—	272,577
Grants and subventions	361,840	88,132	433	4,866	242	455,513
Licenses, fines and penalties	46,584	3,638	—	—	—	50,222
Interest and investment earnings	18,810	10,200	2,524	18,357	1,176	51,067
Charges for services	29,385	62,566	953	—	580	93,484
Contributions	—	—	—	—	5,479	5,479
Land sales proceeds	—	—	—	849	—	849
Other	11,094	3,342	2,809	16,239	—	33,484
Total revenues	<u>1,236,936</u>	<u>282,117</u>	<u>36,492</u>	<u>43,724</u>	<u>7,477</u>	<u>1,606,746</u>
Expenditures:						
Operating expenditures:						
Public protection	466,112	6,803	—	—	29	472,944
Public works, transportation and commerce	31,462	51,443	—	—	21	82,926
Human welfare and neighborhood development	269,142	35,675	—	—	885	305,702
Community health	158,098	36,688	—	—	218	195,004
Culture and recreation	65,896	54,442	—	—	2,098	122,436
General administration and finance	123,239	24,221	—	—	493	147,953
Capital outlay	—	—	—	193,297	—	193,297
Debt service:						
Principal retirement	—	—	39,360	—	—	39,360
Interest and fiscal charges	—	—	29,623	—	—	29,623
Total expenditures	<u>1,113,949</u>	<u>209,272</u>	<u>68,983</u>	<u>193,297</u>	<u>3,744</u>	<u>1,589,245</u>
Excess (deficiency) of re- venues over (under) expenditures	<u>122,987</u>	<u>72,845</u>	<u>(32,491)</u>	<u>(149,573)</u>	<u>3,733</u>	<u>17,501</u>
Other financing sources (uses):						
Operating transfers in	42,778	13,167	18,363	75,446	43	149,797
Operating transfers out	(230,640)	(47,843)	(37,447)	(10,474)	(5,639)	(332,043)
Proceeds from issuance of bonds (note 7)	—	—	101,063	194,878	—	295,941
Payment to refunded bond escrow agent (note 7)	—	—	(64,844)	—	—	(64,844)
Transfer of bond proceeds to School and College District Agency fund ..	—	—	—	(55,000)	—	(55,000)
	<u>(187,862)</u>	<u>(34,676)</u>	<u>17,135</u>	<u>204,850</u>	<u>(5,596)</u>	<u>(6,149)</u>
Excess (deficiency) of re- venues and other sources over (under) expenditures and other uses	<u>(64,875)</u>	<u>38,169</u>	<u>(15,356)</u>	<u>55,277</u>	<u>(1,863)</u>	<u>11,352</u>
Fund balances at beginning of year ..	90,635	123,781	40,345	370,690	11,770	637,221
Net change in reserve for inventory type assets not available for appor- portion	<u>322</u>	<u>2,221</u>	<u>—</u>	<u>(10,604)</u>	<u>(5)</u>	<u>(8,066)</u>
Fund balances at end of year	<u>\$ 26,082</u>	<u>\$164,171</u>	<u>\$24,989</u>	<u>\$415,363</u>	<u>\$ 9,902</u>	<u>\$ 640,507</u>

See accompanying notes to combined financial statements.

CITY AND COUNTY OF SAN FRANCISCO

**Combined Statement of Revenues, Expenditures,
Encumbrances and Changes in Fund Balances—Budget and Actual—
General and Certain Special Revenue Fund Types—Budget Basis (note 3)**

Year ended June 30, 1991

(In Thousands)

	General Fund			Certain Special Revenue Funds		
	Revised Budget	Actual	Variance— Favorable (Unfavorable)	Revised Budget	Actual	Variance— Favorable (Unfavorable)
Revenues:						
Property taxes	\$ 448,025	\$ 448,392	\$ 367	\$ 12,700	\$ 12,669	\$ (31)
Business taxes	155,000	157,214	2,214	—	—	—
Other local taxes	182,900	171,288	(11,612)	57,718	57,353	(365)
Grants and subventions	355,204	354,733	(471)	20,905	21,504	599
Licenses, fines and penalties ..	63,345	46,559	(16,786)	3,786	3,041	(745)
Interest and investment earnings	18,555	18,810	255	4,452	4,779	327
Charges for services	35,648	30,338	(5,310)	52,207	46,799	(5,408)
Other	8,743	11,095	2,352	225	1,326	1,101
Total revenues	<u>1,267,420</u>	<u>1,238,429</u>	<u>(28,991)</u>	<u>151,993</u>	<u>147,471</u>	<u>(4,522)</u>
Expenditures and encumbrances:						
Public protection	471,774	465,709	6,065	125	125	—
Public works, transportation and commerce	36,752	33,490	3,262	57,420	52,891	4,529
Human welfare and neighbor- hood development	272,563	269,554	3,009	13,002	12,902	100
Community health	166,541	159,759	6,782	32	32	—
Culture and recreation	66,281	65,470	811	56,577	52,959	3,618
General administration and finance	120,161	114,101	6,060	11,960	11,941	19
Total expenditures and encumbrances	<u>1,134,072</u>	<u>1,108,083</u>	<u>25,989</u>	<u>139,116</u>	<u>130,850</u>	<u>8,266</u>
Excess (deficiency) of revenues over (under) expenditures and encumbrances ...	<u>133,348</u>	<u>130,346</u>	<u>(3,002)</u>	<u>12,877</u>	<u>16,621</u>	<u>3,744</u>
Other financing sources (uses):						
Operating transfers in	48,739	42,778	(5,961)	52,471	50,735	(1,736)
Operating transfers out	(256,081)	(230,640)	25,441	(71,785)	(71,428)	357
Excess (deficiency) of revenues and other sources over (under) expenditures, encumbrances and other uses	<u>(207,342)</u>	<u>(187,862)</u>	<u>19,480</u>	<u>(19,314)</u>	<u>(20,693)</u>	<u>(1,379)</u>
Fund balances at beginning of year	133,861	133,861	—	84,140	84,140	—
Amounts budgeted in prior years	—	(2,690)	(2,690)	—	955	955
Fund balances at end of year ...	<u>\$ 59,867</u>	<u>\$ 73,655</u>	<u>\$ 13,788</u>	<u>\$ 77,703</u>	<u>\$ 81,023</u>	<u>\$ 3,320</u>

See accompanying notes to combined financial statements.

CITY AND COUNTY OF SAN FRANCISCO
Combined Statement of Revenues, Expenses and Changes
in Retained Earnings / Fund Equity—
All Proprietary Fund Types and Similar Trust Funds
Year ended June 30, 1991

(In Thousands)

	Proprietary Fund Types		Fiduciary Fund Types		Total (Memorandum Only)
	Enterprise (note 9)	Internal Service	Pension Trust	Non- expendable Trust	
Operating revenues:					
Charges for services	\$ 567,787	\$29,815	\$ —	\$ —	\$ 597,602
Rent and concessions	129,472	—	—	—	129,472
Contributions	—	—	309,712	119,909	429,621
Income from investments	—	—	347,915	2,099	350,014
Other	7,215	—	—	—	7,215
Total operating revenues	<u>704,474</u>	<u>29,815</u>	<u>657,627</u>	<u>122,008</u>	<u>1,513,924</u>
Operating expenses:					
Personal services	559,709	15,161	—	—	574,870
Contractual services	104,320	6,934	—	79,024	190,278
Light, heat and power	48,710	—	—	—	48,710
Materials and supplies	65,513	6,625	—	—	72,138
Depreciation	101,275	1,276	—	—	102,551
General and administrative	—	—	3,848	—	3,848
Services provided by other departments	69,655	402	—	—	70,057
Benefit payments	—	—	211,770	39,634	251,404
Other	38,581	—	—	—	38,581
Total operating expenses	<u>987,763</u>	<u>30,398</u>	<u>215,618</u>	<u>118,658</u>	<u>1,352,437</u>
Operating income (loss)	<u>(283,289)</u>	<u>(583)</u>	<u>442,009</u>	<u>3,350</u>	<u>161,487</u>
Nonoperating revenues (expenses):					
Operating grants:					
Federal	7,818	—	—	—	7,818
State	84,628	—	—	—	84,628
Interest income	47,605	—	—	—	47,605
Interest expense	(65,838)	—	—	—	(65,838)
Other, net	5,388	—	—	—	5,388
	<u>79,601</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>79,601</u>
Income (loss) before operating transfers	<u>(203,688)</u>	<u>(583)</u>	<u>442,009</u>	<u>3,350</u>	<u>241,088</u>
Operating transfers in	218,388	—	—	—	218,388
Operating transfers out	<u>(36,142)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(36,142)</u>
	<u>182,246</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>182,246</u>
Net income (loss)	<u>(21,442)</u>	<u>(583)</u>	<u>442,009</u>	<u>3,350</u>	<u>423,334</u>
Depreciation on fixed assets purchased with externally restricted sources that reduces contributed capital	33,654	540	—	—	34,194
Retained earnings / fund equity at beginning of year	1,158,368	4,144	3,950,773	17,001	5,130,286
Retained earnings / fund equity at end of year	<u>\$1,170,580</u>	<u>\$ 4,101</u>	<u>\$4,392,782</u>	<u>\$20,351</u>	<u>\$5,587,814</u>

See accompanying notes to combined financial statements.

CITY AND COUNTY OF SAN FRANCISCO
Combined Statement of Cash Flows—
All Proprietary Fund Types and Nonexpendable Trust Fund
Year ended June 30, 1991
(In Thousands)

	Proprietary Fund Types		Fiduciary Fund Type	Total (Memoran- dum Only)
	Enterprise (note 9)	Internal Service	Non- expendable Trust	
Cash flows from operating activities:				
Operating income (loss)	\$ (283,289)	\$ (583)	\$ 3,350	\$ (280,522)
Adjustments for noncash activities:				
Depreciation	101,275	1,276	—	102,551
Provision for uncollectibles	20,278	—	—	20,278
Other	50	—	—	50
Changes in assets/liabilities:				
Receivables, net	(39,879)	(641)	(569)	(41,089)
Due from other funds	2,775	(1,549)	1,749	2,975
Inventories	1,245	—	—	1,245
Deferred charges and other assets	(2,088)	(139)	—	(2,227)
Accounts payable	(1,494)	709	191	(594)
Accrued payroll	5,029	79	—	5,108
Estimated claims payable	—	—	1,634	1,634
Due to other funds	31,683	(596)	—	31,087
Deferred credits and other liabilities	(1,251)	(23)	652	(622)
Net cash provided (used) by operating activities	(165,666)	(1,467)	7,007	(160,126)
Cash flows from noncapital financing activities:				
Operating grants received	79,373	—	—	79,373
Net operating transfers in	178,644	—	—	178,644
Net increase in noncapital borrowing	6,622	—	—	6,622
Other noncapital increase	7,132	—	—	7,132
Net cash provided by noncapital financing activities	271,771	—	—	271,771
Cash flows from capital financing activities:				
Capital grants	61,789	—	—	61,789
Bond sale proceeds, net	66,542	—	—	66,542
State loan proceeds	47,711	—	—	47,711
Proceeds from sale of fixed assets	58	—	—	58
Transfer from other funds for debt service	4,614	—	—	4,614
Acquisition of fixed assets	(216,618)	(1,349)	—	(217,967)
Retirement of capital lease obligation	(2,032)	—	—	(2,032)
Retirement of general obligation bonds	(11,795)	—	—	(11,795)
Retirement of revenue bonds	(20,076)	—	—	(20,076)
Interest paid on long term debt	(82,879)	—	—	(82,879)
Other capital financing activities	19,620	—	—	19,620
Net cash used for capital financing activities	(133,066)	(1,349)	—	(134,415)
Cash flows from investing activities:				
Net increase in investments with trustees—restricted and unrestricted	(4,491)	—	—	(4,491)
Net increase in restricted deposits and investments	(12,775)	—	—	(12,775)
Interest income received	53,043	—	—	53,043
Other, net	122	—	—	122
Net cash provided by investing activities	35,899	—	—	35,899
Net increase (decrease) in cash and cash equivalents	8,938	(2,816)	7,007	13,129
Cash and cash equivalents—beginning of year	346,005	4,871	24,393	375,269
Cash and cash equivalents—end of year	\$ 354,943	\$ 2,055	\$31,400	\$ 388,398
Noncash investing, capital and financing activities:				
Equipment leases	\$ 2,744	\$ —	\$ —	\$ 2,744
Accretion of interest on long term debt	1,305	—	—	1,305
Amortization of bond discount	110	—	—	110
Contributed capital	—	180	—	180
Disposal of equipment	—	(53)	—	(53)
	\$ 4,159	\$ 127	\$ —	\$ 4,286

See accompanying notes to combined financial statements.

CITY AND COUNTY OF SAN FRANCISCO
NOTES TO COMBINED FINANCIAL STATEMENTS

June 30, 1991

(1) Definition of Reporting Entity

San Francisco is a city and county chartered by the State of California, and as such can exercise the powers of both a city and a county under state law.

The City and County of San Francisco (the City) has defined its reporting entity in accordance with the Governmental Accounting Standards Board's (GASB) *Codification of Governmental Accounting and Financial Reporting Standards*, Section 2100, which sets forth the scope of public service and the exercise of oversight responsibility of a government's elected officials as the basic criteria for inclusion of a governmental unit in a governmental reporting entity, i.e. the City's ability to significantly influence operations, select the governing authority, designate management, and participate in fiscal management. Sections 2100 and 2600 set forth criteria to be used in determining how individual governmental unit data should be presented by the component units of the reporting entity.

The combined financial statements present financial information on activities of the City for which the Mayor and Board of Supervisors have oversight responsibility, and include: the operations of the Office of the Controller; the enterprise operations of the San Francisco International Airport, the San Francisco General Hospital Medical Center, the Laguna Honda Hospital, the Port of San Francisco, the Clean Water Program, the Water Department/Hetch Hetchy Project, and the Municipal Railway and Municipal Railway Improvement Corporation; the operations of ten nonprofit corporations associated with the City; the operations of the San Francisco County Transportation Authority; the operations of the San Francisco Redevelopment Agency and its Financing Authority; and the operations of the Employees' Retirement System and Health Service System. Long-term leases between the oversight unit and component units for facilities and equipment financed by lease revenue bonds are eliminated in the combined financial statements.

During fiscal year (FY) 1989-90 the San Francisco County Transportation Authority was formed to account for and allocate to City operations the proceeds of a one-half of one percent sales tax approved by the voters to expand the City's transportation system, including both transit and streets and roads. This additional sales tax became effective April 1, 1990. The Board of Supervisors serves as the Authority's Board of Directors.

The City's combined financial statements, except for certain cash held by the City as an agent, do not reflect operations of the San Francisco Housing Authority, Private Industry Council of San Francisco, San Francisco Unified School District and San Francisco Community College District. The Housing Authority is not included as a component unit because it is not within the oversight responsibility of the City: it is not included under the City Charter, it is not subject to the financial controls of the Controller or the budgetary controls of the Mayor and the Board of Supervisors except in a review capacity, and there is minimal financial interdependency. The Private Industry Council of San Francisco is not included as a component unit because it is not within the oversight responsibility of the City: it is not included under the City Charter, it is not subject to the financial controls of the Controller or the budgetary controls of the Mayor and the Board of Supervisors, and there is minimal financial interdependency. The School and the Community College Districts are not included because they have their own elected governing boards and are independent of the City as to fiscal accountability and financial affairs.

(2) Summary of Significant Accounting Policies

The more significant accounting policies of the City are described in the following sections.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

(a) *Basis of Presentation—Fund Accounting*

The accounts of the City are organized on the basis of funds or account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. The various funds are summarized by type in the financial statements. Fund types and account groups used by the City are described in the following sections.

Governmental Fund Types

General Fund—The General Fund, the general operating fund of the City, accounts for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds—Special Revenue Funds account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

Debt Service Funds—Debt Service Funds account for the accumulation of resources for, and the payment of, long-term obligation principal, interest and related costs.

Capital Projects Funds—Capital Projects Funds account for financial resources used for the acquisition or construction of major capital facilities (other than those financed in the proprietary fund types).

Proprietary Fund Types

Enterprise Funds—Enterprise Funds account for operations (a) that are financed and operated in a manner similar to private business enterprises—where the intent of the Board of Supervisors is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or (b) where the Board of Supervisors has decided that periodic determination of revenues earned, expenses incurred, and net income or loss is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Internal Service Funds—Internal Service Funds account for the financing of goods or services provided by one department or agency to other departments or agencies of the City or other governmental units on a cost reimbursement basis.

Fiduciary Fund Types

Trust and Agency Funds—Trust and Agency Funds account for assets held by the City as a trustee or as an agent for individuals, private organizations, other governmental units and/or other funds. These include the pension trust fund (Employees' Retirement System), nonexpendable trust fund (Health Service System), expendable trust funds and agency funds.

Account Groups

General Fixed Assets Account Group—The General Fixed Assets Account Group accounts for fixed assets of the City, other than those accounted for in the proprietary fund types.

General Long-Term Obligations Account Group—The General Long-Term Obligations Account Group accounts for all long-term obligations of the City, including claim liabilities, workers' compensation liabilities and vested vacation and sick leave pay, except those accounted for in the proprietary fund types.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

(b) Basis of Accounting

The modified accrual basis of accounting is followed in the governmental fund types and expendable trust and agency funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures, other than interest and principal on long-term obligations that are recorded when paid, are recorded when they are expected to be liquidated with expendable available resources.

Intergovernmental revenues (primarily grants and subventions), which are received as reimbursement for specific purposes or projects, are recognized based upon the expenditures recorded. Intergovernmental revenues which are virtually unrestricted as to purpose of expenditure and revocable only for failure to meet prescribed compliance requirements are reflected as revenues at the time of receipt or earlier if they meet the availability criterion.

The City collects an annual taxpayer-assessed business tax based either on gross receipts or on payroll for each calendar year. The City bills taxpayers each June for one-half of the previous year's actual taxes. This amount is due on July 1 and delinquent after July 31. The remaining amount is due January 1 and is delinquent after February 28. The City accrues as revenues the amount of the June billing expected to be collected within 60 days of the end of its fiscal year, which is a significant portion of the amount billed.

Licenses, fines and penalties and other revenues are recorded as revenues when received in cash because they are generally not measurable until actually received.

Investment earnings are accrued since they are measurable and available.

See note 5 for the City's property tax accrual policy.

The accrual basis of accounting is utilized in the proprietary fund types and pension trust and nonexpendable trust funds. Water and power services furnished to customers are recognized as revenue when earned.

(c) Measurement Focus

All governmental fund types are accounted for on a spending or funds flow measurement focus. Only current assets and current liabilities are generally included on their balance sheets. Resources not available to finance expenditures or commitments of the current period are recognized as deferred revenue. Claim liabilities, workers' compensation liabilities and vested vacation and sick leave pay which are estimated to be payable within the next year, are recorded in the governmental fund types; remaining amounts are shown in the General Long-Term Obligations Account Group.

All proprietary fund types are accounted for on a capital maintenance measurement focus based upon net income, financial position and cash flows in a manner similar to a commercial enterprise.

Operations of the pension trust and nonexpendable trust funds are accounted for in the same manner as the proprietary fund types. Operations of expendable trust funds are accounted for in essentially the same manner as governmental funds. Agency funds are custodial in nature and do not involve measurement of results of operations.

(d) Budgetary Data

The budget of the City is a detailed operating plan which identifies estimated costs and results in relation to estimated revenues. The budget includes (1) the programs, projects, services, and activities to be provided during the fiscal year, (2) the estimated revenue available to finance the

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

operating plan, and (3) the estimated spending requirements of the operating plan. The budget represents a process through which policy decisions are made, implemented, and controlled. The City Charter prohibits expending funds for which there is no legal appropriation.

The following procedures establish the budgetary data reflected in the financial statements:

Original Budget

- (1) The Mayor conducts hearings to obtain public comment on the proposed annual budget.
- (2) Prior to June 1, the Mayor submits the proposed budget to the Board of Supervisors. The Board then adopts an interim budget.
- (3) The Board of Supervisors conducts hearings to obtain public comment on the budget.
- (4) Prior to September 15, the Board of Supervisors finalizes the annual budget through passage of the Annual Appropriation Ordinance, the legal authority for enactment of the budget.

Revised Budget

The revised budgetary data presented in the financial statements reflects the following changes to the original budget:

- (1) Certain annual appropriations are budgeted on a project or program basis. If such projects or programs are not completed at the end of the fiscal year, unexpended appropriations are carried forward to the following year. In certain circumstances, other programs and regular annual appropriations may be carried forward after approval by the Controller, Mayor and Board of Supervisors. Annually appropriated funds, not authorized to be carried forward, lapse at the end of the fiscal year. Appropriations carried forward from the prior year are included in the revised budgetary data. Appropriations carried forward to the subsequent year are excluded. Historically, appropriations carried forward have ultimately resulted in expenditures.
- (2) Appropriations may be adjusted during the year with the approval of the Mayor and Board of Supervisors. Additionally, the Controller is authorized to make transfers of excess appropriations within a department. Such adjustments are reflected in the revised budgetary data.

The Annual Appropriation Ordinance adopts the budget at the character level of expenditure within departments. As described above, the Controller is authorized to make transfers of excess appropriations within departments. Accordingly, the lowest level of budgetary control by the Board of Supervisors is the department level.

Budgetary data, as revised, are presented in the financial statements for the General Fund and certain Special Revenue Funds. Federal and state grant Special Revenue Funds and certain projects are budgeted by the Mayor and Board of Supervisors over the term of the individual grant or project; Capital Projects Funds are also budgeted over the life of the project. Since these funds are not budgeted on an annual basis, they are not included in the budgetary data.

(e) Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for expenditure of funds are recorded to reserve that portion of the applicable appropriation, is employed in the governmental fund types and expendable trust funds as a significant aspect of budgetary control. Encumbrances are reported as reservations of fund balances because they do not constitute expenditures or liabilities. Encumbrances are combined with expenditures for budgetary comparison purposes (note 3).

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

(f) *Deposits and Investments*

The City follows the practice of pooling deposits and investments of most funds with the City Treasurer except for restricted funds generally held on behalf of enterprise funds or the General Fund's reserve for cash requirements, investments of the Employees' Retirement System held by trustees, deposits and investments of the Redevelopment Agency and certain nonprofit corporation funds, and imprest funds (note 4). The method of allocating interest earned on pooled deposits and investments among governmental fund types provides that, unless otherwise restricted, all interest is credited to the General Fund.

Deposits and investments are stated at cost or amortized cost, except for assets of the deferred compensation plans which are presented at market value.

The Treasurer holds deposits of the School District and Community College District as part of the City's pooled funds. The deposits held for these districts are included in agency funds.

(g) *Inventory*

Inventory is generally valued at average cost. Inventory in the General Fund and Special Revenue Funds consists of expendable supplies held for consumption. The purchase method is used for these governmental funds with cost recorded as an expenditure at the time an individual inventory item is purchased. A reserve equal to the amount of inventory indicates that a portion of the fund balance is not available for future appropriation.

(h) *Interfund Transfers*

Interfund transfers are generally recorded as operating transfers in (out) except for the following types of transactions:

- (1) Charges for services, which are recorded as revenues of the performing fund and expenditures of the requesting fund. Unbilled costs are recognized as Receivables—Charges for Services at the end of the fiscal year.
- (2) Reimbursements for services performed, which are recorded as a reduction of expenditure in the performing fund, and an expenditure of the requesting fund.
- (3) Residual equity transfers.

(i) *General Fixed Assets*

General fixed assets are those acquired for general governmental purposes. Such assets currently purchased or constructed are recorded as expenditures in the governmental fund types and capitalized at cost in the General Fixed Assets Account Group. Contributed fixed assets are recorded at fair market value at the time received. Certain assets for which actual costs are not available have been valued on the basis of a professional valuation that determined their approximate historical cost.

The City's infrastructure, which consists of certain non-enterprise improvements that have not been capitalized, is not included in the General Fixed Assets Account Group. Examples are roads, curbs and gutters, streets and sidewalks and lighting systems. Such assets are normally immovable and of value only to the City.

No depreciation is provided on general fixed assets.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

(j) *Fixed Assets—Proprietary Fund Types*

Fixed assets of the proprietary fund types are stated at cost or estimated historical cost. Depreciation has been provided over estimated useful lives using the straight-line method. Depreciation related to certain fixed assets purchased with externally restricted sources is closed to the contributed capital accounts on an annual basis.

The net amount of interest expense on borrowing for capital projects and interest earnings on unspent proceeds is capitalized during the construction period on projects of the San Francisco Airport, the Port of San Francisco, the Water Department/Hetch Hetchy Project and the Clean Water Program. Net interest capitalized during the fiscal year decreased construction in progress and reduced interest income by approximately \$0.3 million.

(k) *Fund Equity*

Reservations of fund balances of the governmental fund types and the fiduciary fund type indicate that portion of fund equity which is not appropriable for expenditure or is legally segregated for a specific future use. The amount reserved by the Charter for emergencies may be appropriated only by a vote of three-fourths of the Board of Supervisors. The Charter also provides for a cash requirements reserve to meet potential short-term working capital needs.

Reservations of fund balance for inventory type assets not available for appropriation include reservations made for inventory and other assets not expected to be available for appropriation in the following year. Changes in inventory and similar assets are reported as changes in fund equity.

Fund balance amounts reserved for subsequent years' budgets have been set aside by Board of Supervisors' ordinance, but actual expenditure requires a subsequent specific appropriation.

Capital grants from external sources are recognized as contributed capital in proprietary funds at the time reimbursable expenditures related to grants are incurred.

Reservation of retained earnings of internal service funds recognizes contractual and other commitments which are not properly accruable, but represent future obligations of retained earnings.

(l) *Accrued Vacation and Sick Leave Pay*

Vacation pay, which may be accumulated up to ten weeks depending on an employee's length of service, is payable upon termination.

Sick leave may be accumulated up to six months. Unused amounts, accumulated prior to December 6, 1978, are vested and are payable upon termination of employment by retirement, disability caused by industrial accident or death. Sick leave earned subsequent to that date is nonvesting and, hence, is not a liability.

Vested vacation and sick leave pay is accrued for all fund types. Amounts expected to be payable within the next year, which are estimated based on historical information, are accrued in the governmental fund types and the remainder is recorded in the General Long-Term Obligations Account Group. Proprietary funds record both current and non-current amounts in their liabilities.

(m) *Redevelopment Agency Property*

The Redevelopment Agency charges capital outlay for the full cost of developing and administering its projects. Property held for resale and/or lease, which is considered to be inventory, is recorded as an asset in the Capital Project Funds at the lower of cost or estimated conveyance value. A reserve equal to the amount of inventory indicates that a portion of fund balance is not available for

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

future appropriation. Estimated conveyance value is management's estimate of net realizable value of a property based on current intended use.

Property which has been or is intended to be leased on a long-term basis is recorded in the General Fixed Assets Account Group. South Beach Harbor fixed assets are included in an enterprise fund.

(n) Loans Receivable

Special Revenue Fund expenditures relating to long-term loans arising from loan subsidy programs are charged to operations upon funding. Loans receivable are recorded with an offset to a deferred credit account.

(o) Cash Flows

During the current fiscal year the City adopted GASB Statement No. 9 (Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds...).

Cash and cash equivalents include all highly liquid investments with an original purchase maturity of three months or less. Unrestricted pooled cash and investments in the City's Treasury represent monies in a cash management pool and such accounts are similar in nature to demand deposits. The City considers all restricted deposits to be investments, and as such these amounts are not considered cash and cash equivalents.

(p) Total (Memorandum Only) Columns on Combined Statements

Total columns on the combined statements are for overview information only. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles, nor are such data comparable to a consolidation. Eliminations of interfund activity have been made within fund types but not between fund types.

(3) Budgetary Results Reconciled to Results in Accordance with Generally Accepted Accounting Principles

The budgetary process is based upon accounting for certain transactions on a basis other than generally accepted accounting principles (GAAP basis). The results of operations are presented in the budget-to-actual comparison statement in accordance with the budgetary process (Budget basis) to provide a meaningful comparison with the budget.

The major differences between the Budget basis "actual" and GAAP basis are as follows:

(a) Basis differences

Certain accruals (claims and judgments, accrued vacation and sick leave pay and workers' compensation liability) are excluded from the Budget basis financial statement because such amounts are budgeted on a cash basis.

Inventory type assets not available for appropriation (such as supplies inventory) are excluded from the Budget basis fund balance because such amounts are considered to be expended.

(b) Timing differences

Encumbrances are recognized as the equivalent of expenditures in the budgetary financial statement, while encumbered amounts are not recognized on the GAAP basis until recorded as actual expenditures.

Revenues budgeted in prior years, which did not become susceptible to accrual until the current year, and adjustments to prior year encumbrances are recognized on the Budget basis as

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

adjustments to beginning fund balance. Such revenues are recognized currently on the GAAP basis. Adjustments to prior year encumbrances do not affect the GAAP basis.

(c) Entity difference

Nonannually budgeted funds (such as certain grant funds) are excluded from the Budget basis financial statement because a comparison of such budgetary amounts to annual revenues and expenditures is not meaningful.

The results of "actual" operations on a Budget basis are reconciled to the results of operations on a GAAP basis as follows (in thousands):

	<u>General Fund</u>	<u>Special Revenue Funds</u>
Deficiency of revenues and other sources over expenditures, encumbrances and other uses—Budget basis	\$ (57,516)	\$ (4,072)
Accruals excluded from Budget basis	(8,540)	—
Accruals included in Budget basis in prior year	5,029	—
Increase in current year's encumbrances	7,507	4,947
Expenditures which were encumbered in prior years	(8,665)	(1,298)
Amounts budgeted in prior years	(2,690)	955
Nonannually budgeted funds, net	—	<u>37,637</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses—GAAP basis	<u>\$ (64,875)</u>	<u>\$38,169</u>

The fund balances on a Budget basis are reconciled to the fund balances on a GAAP basis as follows (in thousands):

	<u>General Fund</u>	<u>Special Revenue Funds</u>
Fund balance, June 30, 1991—Budget basis	\$ 73,655	\$ 81,023
Accruals excluded from Budget basis	(68,875)	—
Inventory type assets not available for appropriation	1,808	2,140
Encumbrances, June 30, 1991	19,494	10,298
Fund balances of nonannually budgeted funds	—	<u>70,710</u>
Fund balance, June 30, 1991—GAAP basis	<u>\$ 26,082</u>	<u>\$164,171</u>

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

General Fund Budget basis fund balance at June 30, 1991 is composed of the following (in thousands):

Reserved by charter for cash requirements	\$48,534
Reserved by charter for emergencies	4,862
Reserved for appropriation carryforward	5,714
Reserved for subsequent years' budgets	9,981
Not available for appropriation	<u>69,091</u>
Controller's set aside for contingencies and prior year expenditures ..	860
Available for appropriation	<u>3,704</u>
Unreserved amounts	<u>4,564</u>
Fund balance, June 30, 1991—Budget basis	<u>\$73,655</u>

Amounts reserved for subsequent years' budgets are amounts which have been legally set aside pursuant to ordinance passed by the Board, but which require appropriation for specific items before they may be expended. The primary component of fund balance reserved for subsequent years' budgets at June 30, 1991 was \$8.5 million reserved for litigation.

(4) Deposits and Investments

The City's deposits and investments are invested pursuant to investment policy guidelines established by the City Treasurer. The objectives of the policy are, in order of priority, preservation of capital, liquidity, and yield. The policy addresses the soundness of financial institutions in which the City will deposit funds, types of investment instruments as permitted by the California Government Code, and the percentage of the portfolio which may be invested in certain instruments with longer terms to maturity. Investments permitted by the City's investment policy are obligations of the U.S. government, commercial paper rated no lower than A-1 by Standard and Poor's Corporation or P-1 by Moody's Investors Service Inc., bankers' acceptances, negotiable certificates of deposit, and repurchase or reverse repurchase agreements. Investments during the year did not include repurchase or reverse repurchase agreements. The Redevelopment Agency invests in repurchase agreements, but not in reverse repurchase agreements.

Other deposits and investments maintained outside the City Treasury are invested pursuant to governing bond covenants or California Government Code provisions. A substantial portion of these investments are assets of the Employees' Retirement System. The Charter authorizes the Employees' Retirement System to invest in corporate equity and debt securities and to make other investments as approved by the Retirement Board. In addition, City ordinances, with limited exceptions, prohibit deposits and investments with financial institutions having specified relations with either the government of South Africa or certain private entities doing business with or in South Africa.

Total City deposits and investments are as follows (in thousands):

Deposits and investments	\$1,064,752
Investments with trustee	4,563,073
Restricted assets:	
Deposits and investments	513,010
Investments with trustee	<u>149,374</u>
	<u>\$6,290,209</u>

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

Cash and Deposits

The City had cash and deposits at June 30, 1991 as follows (in thousands):

<u>Cash and Deposits</u>	<u>Carrying Amount</u>	<u>Bank Balance</u>
Cash on hand.....	\$ 740	\$ —
Federally insured and collateralized deposits*.....	(128)	69,045
	<u>\$ 612</u>	<u>\$69,045</u>

* Under the City's cash management policy, as warrants are presented for payment, investments are converted to cash.

The California Government Code requires California banks and savings and loan associations to secure the City's deposits not covered by federal deposit insurance by pledging government securities as collateral. The market value of pledged securities must equal at least 110% of the City's deposits. The collateral must be held at the pledging bank's trust department or another bank, acting as the pledging bank's agent, in the City's name. Of the bank balance in financial institutions, \$2,728 was covered by Federal depository insurance. Of the remaining uninsured balance, \$61,671 was collateralized as described above. The remaining balance was uninsured and uncollateralized.

Investments

Investments of the City are summarized below. The investments that are represented by specific identifiable investment securities are classified as to credit risk by three categories as follows: Category 1 includes investments that are insured or registered or securities held by the City or its agent in the City's name; Category 2 includes uninsured and unregistered investments, with the securities held by the counterparty's trust department or agent in the City's name; Category 3 includes uninsured and unregistered investments, with the securities held by the counterparty, or by its trust department or agent but not in the City's name.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

At June 30, 1991, investments included the following (in thousands):

Type of Investment	Category			Carrying Amount	Market Value
	1	2	3		
Investments in City Treasury:					
Commercial paper	\$ 180,876	\$ —	\$ —	\$ 180,876	\$ 181,233
U.S. government securities	1,221,466	—	—	1,221,466	1,263,548
Bankers' acceptances	74,775	—	23,513	98,288	99,282
	<u>1,477,117</u>	<u>—</u>	<u>23,513</u>	<u>1,500,630</u>	<u>1,544,063</u>
Employees' Retirement System:					
Commercial paper	—	—	3,000	3,000	3,000
U.S. government securities	1,268,965	—	31,146	1,300,111	1,318,561
Bonds	1,187,392	—	2,229	1,189,621	1,172,907
Common stock	1,211,394	168	59,850	1,271,412	1,494,616
Real estate limited partnerships ..	—	258,885	—	258,885	271,332
Other	—	21,234	—	21,234	21,550
	<u>3,667,751</u>	<u>280,287</u>	<u>96,225</u>	<u>4,044,263</u>	<u>4,281,966</u>
Other funds:					
Commercial paper	961	16,894	—	17,855	18,146
U.S. government securities	72,325	61,637	24,661	158,623	163,308
Bonds	—	947	6,725	7,672	7,654
Repurchase agreements	—	—	3,544	3,544	3,544
Bankers' acceptances	—	30,092	—	30,092	30,339
Other	18,926	9,507	29,207	57,640	57,565
	<u>92,212</u>	<u>119,077</u>	<u>64,137</u>	<u>275,426</u>	<u>280,556</u>
Mutual funds				<u>469,278</u>	<u>469,278</u>
Total investments	<u>\$5,237,080</u>	<u>\$399,364</u>	<u>\$183,875</u>	<u>\$6,289,597</u>	<u>\$6,575,863</u>

Investments in the City Treasury which are identified as Category 3 above represent bankers' acceptances held in the safekeeping department of a major financial institution in the City's name.

Market value fluctuates with interest rates, and increasing rates could cause market value to decline below carrying value. City management believes the liquidity in the portfolio is more than adequate to meet cash flow requirements and to preclude the City from having to sell investments at below carrying value for that purpose.

The City Treasury's investments have a market value of \$43.4 million (2.9%) above carrying value at June 30, 1991. The earned yield, which includes net gains on investments sold, on all investments held by the City Treasurer for FY 1990-91 was 8.2%.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

(5) Property Taxes

The City is responsible for assessing, collecting and distributing property taxes in accordance with enabling state law. Property taxes are levied on both real and personal property. Liens for secured property taxes attach on March 1st preceding the fiscal year for which taxes are levied. Secured property taxes are levied on the first business day of September and are payable in two equal installments: the first is due on November 1st and delinquent with penalties after December 10th; the second is due February 1st and delinquent with penalties after April 10th. Secured property taxes which are delinquent and unpaid as of June 30th are sold to the State and are subject to redemption penalties, costs, and interest when paid. If not paid at the end of five years, the property is sold at public auction and the proceeds are used to pay delinquent amounts due. Any excess is remitted, if claimed, to the taxpayer. Unsecured personal property taxes are not a lien on real property. Those taxes are due on March 1st and become delinquent with penalties after August 31st. Supplemental property tax assessments associated with changes in the assessed valuation due to transfer of ownership in property or upon completion of new construction are levied in two equal installments and have variable due dates based on the dates of the underlying transaction.

Since the passage of California's Proposition 13, beginning with fiscal year 1978-79, general property taxes are based either on a flat 1% rate applied to the 1975-76 full value of the property or on 1% of the sales price of the property on sales transactions or construction value added after the 1975-76 valuation. Taxable values on properties (exclusive of increases related to sales and construction) can rise at a maximum of 2% per year. The increase for 1990-91 was 2%.

The Proposition 13 limitations on general property taxes do not limit taxes levied to pay the interest and redemption charges on any indebtedness approved by the voters prior to June 6, 1978 (the date of passage of Proposition 13). Proposition 13 was amended in 1986 to allow property taxes in excess of the 1% limit to fund general obligation bond debt service when such bonds are approved by two-thirds of the local voters. These taxes and related subventions for debt service amounted to approximately \$30.2 million for the year ended June 30, 1991, including interest and redemption charges for general obligation bonds of the Water Department/Hetch Hetchy Project of \$2.4 million. A like amount was transferred from the Water Department/Hetch Hetchy Project to the General Fund, as authorized by the voters in 1979.

Net taxable valuation for the year ended June 30, 1991 was approximately \$49.1 billion, an increase of 9.3% over the previous year. The tax rate was \$1.09 per \$100 of valuation (\$0.90 for general government; \$0.13 for schools, Bay Area Rapid Transit District (note 7), and Bay Area Air Quality Management District; and \$0.06 for the City's bond interest and redemption charges). Delinquencies for the year amounted to 3.8%.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

(6) Fixed Assets

Governmental Funds

A summary of changes in general fixed assets acquired through governmental funds follows (in thousands):

	Balance July 1, 1990	Additions	Transfers In / (Out)	Retirements	Balance June 30, 1991
Land	\$ 64,540	\$ 8,492	\$ —	\$ —	\$ 73,032
Facilities and improvements ..	580,776	2,221	105,394	—	688,391
Machinery and equipment	138,287	18,104	—	347	156,044
Construction in progress	190,312	125,153	(105,394)	—	210,071
Property held for lease	29,950	451	—	—	30,401
	<u>\$1,003,865</u>	<u>\$154,421</u>	<u>\$ —</u>	<u>\$347</u>	<u>\$1,157,939</u>

Fixed assets with original acquisition cost of \$8.6 million are being acquired through capitalized leases. The remaining principal due on the leases is \$5.2 million (notes 7 and 12d).

Proprietary Funds

A summary of proprietary fund type fixed assets at June 30, 1991 follows (in thousands):

	Enterprise	Internal Service
Land	\$ 173,317	\$ —
Facilities and improvements	3,114,174	920
Machinery and equipment	428,236	19,014
	3,715,727	19,934
Less accumulated depreciation	1,153,958	16,662
	2,561,769	3,272
Construction in progress	258,739	—
	<u>\$2,820,508</u>	<u>\$ 3,272</u>

Useful lives of machinery and equipment are generally estimated to be 3 to 30 years, except for certain Laguna Honda Hospital equipment which have an estimated useful life of up to 40 years. Facilities and improvements are generally estimated to have useful lives from 5 to 50 years. Facilities and improvements include utility type assets of the Water Department/Hetch Hetchy Project, the Clean Water Program, the Muni Railway and the Port of San Francisco, totaling \$951.5 million with lives from 51 to 100 years and \$3.8 million with lives from 101 to 160 years. These long-lived assets include reservoirs and aqueducts of the Water Department/Hetch Hetchy Project.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

(7) Long-Term Obligations

The following is a summary of changes in General Long-Term Obligations for the year ended June 30, 1991 (in thousands):

	July 1, 1990	Additional Obligations and Interest Accretion	Current Maturities, Retirements, and Net Decreases	June 30, 1991
Bonds payable	\$481,385	\$301,247	\$102,795	\$679,837
Loans payable	394	—	15	379
Capital leases payable (note 12)	8,710	—	3,521	5,189
Estimated claims payable (note 12)	16,672	8,752	—	25,424
Workers' compensation liability (note 12)	61,260	—	3,000	58,260
Accrued vacation and sick leave pay	47,597	—	77	47,520
	<u>\$616,018</u>	<u>\$309,999</u>	<u>\$109,408</u>	<u>\$816,609</u>

As of June 30, 1990 the City's remaining portions of general obligation bonds, authorized but unissued, totalled \$578.3 million. On November 6, 1990 the City's voters approved a \$16.5 million general obligation bond proposition for correctional facilities. During the current fiscal year the City issued \$188.6 million general obligation bonds from various authorized series. As of June 30, 1991 \$406.2 million authorized but unissued bonds remained. Included in the bonds sold was \$55 million for School District facility improvements. The proceeds were deposited in the School District agency fund.

The City and County of San Francisco Finance Corporation was authorized at the June 5, 1990 election to issue up to \$20.0 million, plus 5% increase per fiscal year, lease revenue bonds. During the current fiscal year it sold \$7.0 million of the amount authorized. The proceeds are used to finance equipment purchases for City departments.

During the year the Redevelopment Agency and the Redevelopment Financing Authority sold \$16.8 million and \$23.0 million in tax allocation bonds (note 10). Additionally, bonds payable increased by \$5.3 million due to interest accretion on various Redevelopment Agency and Redevelopment Financing Authority capital appreciation and term gain bonds.

On April 1, 1991, the Redevelopment Agency issued \$60.5 million in Refunding Lease Revenue Bonds to advance refund \$63.4 million of the outstanding Moscone Convention Center Lease Revenue 1979 Series bonds (1979 Series bonds). The net proceeds of \$52.9 million (after payment of \$1.6 million in underwriting fees, insurance, and other issuance costs and an additional \$6 million of proceeds, which were remitted to the City for use in the Moscone Convention Center Capital Projects Construction Fund) were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 1979 Series bonds. As a result, the 1979 Series bonds are considered to be defeased and the liability for those bonds has been removed from the general long-term obligation account group. The Agency and the City decided to advance refund the 1979 Series to reduce its total debt service payments over the next nine years by approximately \$26.0 million and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$7.6 million.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

The annual requirements to amortize all bonds, loans and capital leases outstanding as of June 30, 1991 are as follows (in thousands):

<u>Year Ending June 30</u>	<u>Enterprise</u>	<u>General Long-Term Obligations</u>	<u>Internal Service</u>	<u>Total</u>
1992	\$ 208,203	\$ 65,847	\$ 42	\$ 274,092
1993	120,840	82,424	43	203,307
1994	120,602	75,061	43	195,706
1995	117,453	69,734	36	187,223
1996	115,642	66,562	—	182,204
1997-2001	552,555	317,310	—	869,865
2002-2006	500,520	231,838	—	732,358
Thereafter	750,245	455,554	—	1,205,799
	<u>2,486,060</u>	<u>1,364,330</u>	<u>164</u>	<u>3,850,554</u>
Less amounts representing interest....	<u>1,218,301</u>	<u>678,925</u>	<u>23</u>	<u>1,897,249</u>
Liability at June 30, 1991	<u>\$1,267,759</u>	<u>\$685,405</u>	<u>\$141</u>	<u>\$1,953,305</u>

It is not practicable to determine the specific year for payment of claims payable, workers' compensation liability or accrued vacation and sick leave pay.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

General long-term obligations and enterprise obligations at June 30, 1991 comprise the following components (in thousands):

GENERAL LONG-TERM OBLIGATIONS

	Final Maturity Date	Remaining Interest Rates	Amount
FINANCING GENERAL OBLIGATION BONDS (a):			
Schools	2010	5.0 to 10.0%	\$ 94,815
Fire protection	2010	5.75 to 10.0%	47,165
Police facilities	2010	5.75 to 10.0%	20,945
Library facilities	2010	5.75 to 12.0%	23,880
Correctional facilities	2010	5.75 to 10.0%	16,500
Mental health facilities	2011	5.5 to 11.0%	25,740
Public safety improvements	2011	5.5 to 12.0%	76,115
Parks and playgrounds	2011	5.5 to 11.0%	20,288
Boulevards and roads	2004	4.0 to 11.0%	26,592
NON-PROFIT CORPORATION AND GARAGE LEASE REVENUE BONDS:			
San Francisco Finance Corporation (c)	1998	4.5 to 6.0%	7,020
San Francisco Stadium, Inc. (Candlestick Park) (b)	1999	4.75 to 5.25%	12,155
San Francisco Social Services Corporation (c)	2003	6.25 to 6.6%	7,495
Moscone Convention Center Garage (c)	2009	5.7 to 7.5%	9,650
SAN FRANCISCO REDEVELOPMENT AGENCY AND FINANCING AUTHORITY:			
Lease Revenue Bonds:			
Moscone Convention Center (d)	2018	4.8 to 8.5%	211,888
Hunters Point South School (c)	1993	4.0 to 4.9%	515
Yerba Buena Center Liquidity Facility Revenue Bonds (e)	1993	Variable (5.0% at 6/30/91)	16,785
Financing Authority Bonds:			
Tax allocation revenue bonds (f)	2020	5.75 to 9.0%	62,289
OTHER LONG-TERM OBLIGATIONS:			
Loans—State of California—Marina Development (g)	2007	4.5%	379
Capital leases payable (c)	1997	7.12 to 9.72%	5,189
Estimated claims payable (c)			25,424
Workers' compensation liability (c)			58,260
Accrued vacation and sick leave pay (c)			47,520
Total General Long-Term Obligations			<u>\$816,609</u>

Debt service payments are made from the following sources:

- Property tax recorded in the Debt Service Fund.
- Hotel taxes and operating revenues recorded in the Candlestick Park Special Revenue Fund.
- General revenues recorded in the General Fund.
- Hotel taxes and operating revenues recorded in the Convention Facilities Special Revenue Fund.
- Proceeds from sales of specified Agency owned land parcels and future property tax increment revenue.
- Property taxes allocated to the Redevelopment Agency based on increased assessed valuations in project areas (note 10).
- Operating revenues recorded in the Marina Yacht Harbor Special Revenue Fund.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

ENTERPRISE OBLIGATIONS

	Final Maturity Date	Remaining Interest Rates	Amount
San Francisco International Airport:			
General obligation	1994	3.7 to 6.0%	\$ 5,925
Revenue	2020	5.5 to 13.0%	475,753
Capital lease	1996	7.3 to 16.0%	939
Port of San Francisco:			
General obligation:			
State of California	1999	1.0 to 4.85%	6,110
City and County of San Francisco	2005	4.5 to 6.3%	15,200
Revenue	2009	5.5 to 11.5%	53,588
Clean Water Program:			
General obligation	1999	4.0 to 6.0%	30,695
Revenue	2015	4.25 to 10.6%	324,294
State of California—Revolving fund loans	2011	3.4 to 3.5%	47,711
Municipal Railway/Municipal Railway Improvement Corporation:			
Revenue	1997	4.0 to 7.5%	11,855
Capital lease	1994	7.1 to 7.7%	621
Water Department/Hetch Hetchy Project:			
General obligation	2000	4.0 to 6.5%	11,830
Revenue	2020	5.0 to 8.5%	175,279
Capital lease	1995	8.05 to 8.25%	913
San Francisco General Hospital:			
State of California—loan	1991	Variable, (4.4% average for FY 1990-91)	68,998
Capital leases	1999	4.4 to 12.8%	4,217
Laguna Honda Hospital:			
Capital lease	1999	8.14%	1,478
Nonprofit Parking Corporations:			
Uptown	1996	6.2 to 7.0%	1,840
Western Addition	2000	3.7 to 4.75%	1,949
Ellis-O'Farrell	1992	3.7%	65
Portsmouth Plaza loans	—	5.4 to 9.1%	599
San Francisco Redevelopment Agency:			
California Department of Boating and Waterway Loan	2036	4.7 to 6.0%	8,000
South Beach Harbor	2016	Variable, (5.2% average for FY 1990-91)	19,900
Total Enterprise Obligations			<u>\$1,267,759</u>

There are a number of limitations and restrictions contained in the various bond indentures. The City believes it is in compliance with all significant limitations and restrictions (note 9(h)).

The primary collateral for the general obligation bonds is the ad valorem tax on property within the City (note 5).

Under U.S. Treasury Department temporary regulations, all governmental tax exempt debt issued after August 31, 1986 is subject to arbitrage rebate requirements. The requirements stipulate, in general,

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

that earnings from the investment of tax exempt bond proceeds that exceed related interest expenditures on the bonds must be remitted to the Federal government on every fifth anniversary of each bond issue. The City has evaluated each bond issue subject to the arbitrage rebate requirements and has deferred recognition of interest income of \$9.8 million.

At June 30, 1991, \$304.7 million of outstanding revenue bonds are considered defeased and have been removed from the balance sheet.

In order to facilitate affordable housing, the City has issued mortgage revenue bonds with an outstanding aggregate balance of \$164.0 million as of June 30, 1991. These obligations are secured by the related mortgage indebtedness and, in the opinion of management, are not obligations of the City. Similarly, the Redevelopment Agency has mortgage related debt with an aggregate outstanding balance of \$437.6 million at June 30, 1991.

The City is responsible for collecting property taxes to pay a portion of general obligation debt of other local governmental units that provide services within the City's boundaries, and which must be borne by properties in the City. The primary overlapping debt relates to the Bay Area Rapid Transit District (BART). City taxpayers are responsible for \$97.7 million, approximately 31.0% of BART debt, maturing serially through 1999.

(8) Employee Benefits Program

(a) Retirement Plans

The City maintains a single-employer, defined benefit pension plan (Employees' Retirement System) which covers most of its employees and participates in the California Public Employees Retirement System, an agent multiple-employer, cost sharing public employee pension plan which covers certain employees in public safety functions, the Port, the Airport and the Redevelopment Agency.

Employees' Retirement System

Plan Description—The City has a defined benefit retirement plan (Plan) which is administered by the San Francisco Employees' Retirement System (the Retirement System). Substantially all full-time employees of the City participate in the Plan. The Plan provides basic service retirement, disability and death benefits based on specified percentages of defined monthly final average salary and provides cost-of-living adjustments after retirement. The Plan also provides disability benefits and death benefits to surviving spouses. The payroll for employees covered by the Retirement System for the year ended June 30, 1991 was \$972 million; the City's total payroll was \$1,085 million.

Police and fire department participants with 25 years of service who have attained age 50 are eligible for retirement benefits. Other participants with 20 years of service who have attained age 50 or those with 10 years of service who have attained age 60 are eligible for service retirement benefits.

The types and numbers of employees covered and current membership is summarized as follows at June 30, 1990 (details relating to 1991 membership are not yet available):

	Retirees	Beneficiaries	Total
Retired employees			
General	9,091	2,134	11,225
Police	1,297	500	1,797
Fire	<u>1,130</u>	<u>481</u>	<u>1,611</u>
Total	<u>11,518</u>	<u>3,115</u>	<u>14,633</u>

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

	<u>Vested</u>	<u>Nonvested</u>	<u>Total</u>
Active employees			
General	14,136	6,963	21,099
Police	1,601	178	1,779
Fire	1,189	132	1,321
Total	<u>16,926</u>	<u>7,273</u>	<u>24,199</u>

Funding Status and Progress—The amount shown below as "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and step-rate benefits, estimated to be payable in the future as a result of employee service to date. The measure is intended to help users assess the Retirement System's funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among employers. The measure is the actuarial present value of credited projected benefits and is independent of the funding method used to determine contributions to the Retirement System.

The pension benefit obligation was computed as part of an actuarial valuation performed as of June 30, 1990 by the actuarial firm of Milliman and Robertson, Inc. Significant economic assumptions used in the actuarial valuation include: (1) annual rate of return on investments of 8%; (2) inflation element in wage increase of 6%; (3) salary merit increases ranging between 0.5% and 9% (based upon type of employee and years of service); and (4) postretirement benefit increase based on required annual cost-of-living adjustments which are a maximum of 2% per year for 75% of retirees and over 90% of active members. Remaining members may receive higher cost of living adjustments.

The unfunded pension benefit obligation applicable to the City's employees was \$1,022 million at June 30, 1990 and was calculated as follows (in thousands):

Pension benefit obligation:	
Retirees and beneficiaries currently receiving benefits	\$2,363,168
Current employees:	
Accumulated employee contributions	520,318
Employer-financed vested	1,095,515
Employer-financed nonvested	<u>994,259</u>
Total pension benefit obligation	4,973,260
Net assets available for benefits, at cost (market value of \$4,218,129)	<u>3,950,773</u>
Unfunded pension benefit obligation	<u>\$1,022,487</u>

Contribution Requirements and Contributions Made—A primary purpose of the actuarial valuation is to estimate the participant liabilities of the Retirement System so that contribution rates can be set to adequately fund the liability over the long term. The actuarial calculations are based on the entry age normal method with funding of the unfunded pension benefit obligation as a level percentage of payroll over the period ending June 30, 2000, as required by the Charter.

The significant actuarial assumptions from the actuarial valuation performed as of June 30, 1989 used to compute the contribution requirements for the year ended June 30, 1991 were the same as above.

Contributions are made to the basic plan by both the City and employees. Employee contributions are mandatory. Employee contribution rates for 1991 varied from 7% to 8% as a percentage of gross

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

salary except that general employees could elect to reduce their contributions in consideration of their anticipated Social Security benefit payments.

The basic City contributions are the amounts deemed necessary on an actuarial basis to provide the Retirement System with assets sufficient to pay the basic benefits that are not provided for by employees' contributions and existing assets. Employer contributions have been made in accordance with actuarially determined requirements. Total contribution requirements and contributions made for the year ended June 30, 1991 are presented in the following table as a percent of covered payroll and in dollars. Covered payroll during the year ended June 30, 1991 was \$827.5 million for General members, \$80.4 million for Police and \$63.6 million for Fire for a total of \$971.5 million.

Contribution requirements (in thousands):

	Normal Cost		Unfunded Amortization		Total Contributions Requirements	
	Rate	Dollars	Rate	Dollars	Rate	Dollars
General	14.4%	\$119,406	7.2%	\$ 59,202	21.6%	\$178,608
Police	44.1	35,535	41.2	33,114	85.3	68,649
Fire	46.5	29,559	51.7	32,896	98.2	62,455
	19.0%	<u>\$184,500</u>	12.9%	<u>\$125,212</u>	31.9%	<u>\$309,712</u>

Contributions made (in thousands):

	Employee		Employer		Total Contributions Made	
	Rate	Dollars	Rate	Dollars	Rate	Dollars
General	6.6%	\$ 54,494	15.0%	\$124,114	21.6%	\$178,608
Police	7.3	5,886	78.0	62,763	85.3	68,649
Fire	7.2	4,566	91.0	57,889	98.2	62,455
	6.7%	<u>\$ 64,946</u>	25.2%	<u>\$244,766</u>	31.9%	<u>\$309,712</u>

Historical Trend Information—Trend information gives an indication of the progress made in accumulating assets to pay benefits when due. Ten year historical trend information on revenues by source and expenses by type is included in a supplemental schedule to the financial statements of the Retirement System. Additional historical trend information regarding funding of the Plan is as follows:

	As of or Year Ended June 30,				
	1991	1990	1989	1988	1987
Ratio of net assets available for benefits to pension benefit obligation	(1)	79.4%	75.2%	72.7%	68.3%
Ratio of unfunded pension benefit obligation to annual covered payroll	(1)	113%	145%	150%	180%
Ratio of employer contributions to annual covered payroll	25.2%	25.4%	27.1%	29.7%	30.7%

(1) Actuarial valuation not yet performed.

California Public Employees Retirement System

Various City public safety, Port, Airport and Redevelopment Agency employees participate in the State of California Public Employees Retirement System (PERS). Employers' contributions to PERS totalled approximately \$3.4 million for the year ended June 30, 1991. The payroll for employees covered by PERS for the year ended June 30, 1991 was \$46.1 million, or 4.2% of total payroll. The overfunded

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

pension benefit obligation applicable to employees included in PERS was \$11.5 million at June 30, 1990, the date of the most recent actuarial valuation.

The combined financial statements of the City's Office of the Controller and of the Redevelopment Agency contain more detailed disclosure for all covered employees.

(b) Deferred Compensation Plan

The City and Redevelopment Agency offer their employees deferred compensation plans created in accordance with Internal Revenue Code Section 457. The plans, available to all employees, permit them to defer a portion of their salary until future years. The deferred compensation is not available to employees or other beneficiaries until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the plans, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the City and Redevelopment Agency (without being restricted to the provisions of benefits under the plan), subject only to the claims of their general creditors. Participants' rights under the plans are equal to those of general creditors of the City and Redevelopment Agency in an amount equal to the fair market value of the deferred account for each participant. In the opinions of the respective legal counsels of the City and Redevelopment Agency, the governments have no liability for losses under the plans but have the duty of due care that would be required of an ordinary prudent investor. Neither the City nor Redevelopment Agency believe it is likely that either will use the plans' assets to satisfy the claims of their general creditors in the future.

Deferred compensation plan assets are included in an agency fund. Of the \$166.8 million in the plan at June 30, 1991, \$164.1 million was applicable to the City and \$2.7 million was applicable to the Redevelopment Agency.

(c) Postretirement Health Plan

Health care benefits of employees, retired employees and surviving spouses are financed by beneficiaries and by the City through the Health Service System, the only nonexpendable trust fund. The City's contribution, which amounted to approximately \$73.1 million in FY 1990-91, is determined by Charter provision based on similar contributions made by the ten most populous counties in California. Included in this amount is \$17.7 million to provide postretirement health care benefits for 14,400 retired employees. The City's liability for both current employee and postretirement health care benefits is limited to its annual contribution. In the prior fiscal year the City's contribution was \$17.1 million for 14,000 retired employees.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

(9) Segment Information for Enterprise Funds

The City maintains Enterprise Funds that provide water, sewage treatment, airport, public transportation, hospital, parking, and harbor services and facilities which are largely financed by user charges. Segment information for the year ended June 30, 1991 follows (in thousands):

	San Francisco International Airport	Port of San Francisco	Water Dept./ Hetch Hetchy Project	Municipal Railway	Laguna Honda Hospital	General Hospital Medical Center	Clean Water Program	Parking Garages/ Other	Total
Operating revenues.....	\$157,442	\$ 33,124	\$142,860	\$ 82,302	\$75,469(1)	\$124,033(1)	\$ 72,729	\$16,515	\$ 704,474
Operating expense:									
Depreciation	27,927	5,114	18,102	20,586	1,162	4,234	23,529	621	101,275
Other	92,796	26,237	117,999	264,831	88,409	229,648	56,508	10,060	886,486
Operating income (loss) ...	36,719	1,773	6,759	(203,115)	(14,102)	(109,849)	(7,308)	5,834	(283,289)
Operating grants	—	—	—	58,259	613	33,574	—	—	92,446
Operating transfers, net	(14,086)	—	(15,000)	122,062	13,464	72,240	4,614	(1,048)	182,246
Interest and other non-operating revenues (expenses)	(10,842)	(5,263)	3,072	15,022	—	(979)	(13,183)	(672)	(12,845)
Net income (loss)	\$ 11,791	\$ (3,490)	\$ (5,169)	\$ (7,772)	\$ (25)	\$ (5,014)	\$ (15,877)	\$ 4,114	\$ (21,442)
Current assets	\$211,809	\$ 30,095	\$ 91,737	\$ 94,091	\$18,543	\$ 95,665	\$ 28,631	\$19,290	\$ 589,861
Current liabilities	64,170	12,932	27,304	86,589	20,471	96,875	43,837	11,935	364,113
Net working capital	\$147,639	\$ 17,163	\$ 64,433	\$ 7,502	\$ (1,928)	\$ (1,210)	\$ (15,206)	\$ 7,355	\$ 225,748
Total assets	\$938,293	\$245,448	\$781,666	\$624,772	\$31,207	\$139,039	\$126,265	\$83,129	\$4,103,819
Total liabilities	541,506	88,781	227,060	131,560	27,385	113,091	448,307	44,343	1,822,033
Fund equity	\$396,787	\$156,667	\$554,606	\$493,212	\$ 3,822	\$ 25,948	\$ 811,958	\$38,786	\$2,481,786
Contributed capital—beginning	\$107,939	\$ 74,219	\$ 48,670	\$315,220	\$ 8,448	\$ 56,307	\$ 663,790	\$ —	\$1,274,593
Federal, State and other capital grants	183	1,138	53	45,702	—	434	22,757	—	70,267
Depreciation on contributed assets	—	—	(1,181)	(18,185)	—	—	(14,288)	—	(33,654)
Contributed capital—ending	\$108,122	\$ 75,357	\$ 47,542	\$342,737	\$ 8,448	\$ 56,741	\$ 672,259	\$ —	\$1,311,206
Retained earnings (deficit)	\$288,665	\$ 81,310	\$507,064	\$150,475	\$(4,626)	\$(30,793)	\$ 139,699	\$38,786	\$1,170,580
Fixed asset additions	\$ 26,653	\$ 3,313	\$ 42,009	\$ 51,250	\$ 549	\$ 3,511	\$ 86,457	\$ 2,876	\$ 216,618
Net proceeds from sale of bonds	\$ —	\$ —	\$ 66,542	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 66,542
Total debt outstanding	\$482,617	\$ 74,898	\$188,022	\$ 12,476	\$ 1,478	\$ 73,215	\$ 402,700	\$32,353	\$1,267,759

(1) Net of \$9.3 million and \$149.5 million in provisions for contractual allowances and uncollectible accounts for Laguna Honda Hospital and General Hospital Medical Center, respectively.

(a) San Francisco International Airport

Pursuant to an agreement with certain airlines, the Airport makes an annual payment to the City's General Fund equal to 15% of concessionaire revenue, but not less than \$5 million per fiscal year. The amount transferred to the General Fund during FY 1990-91 was \$14.1 million.

Subsequent to June 30, 1991, the Federal Emergency Management Agency notified the Airport that \$8.8 million in earthquake damages recorded in FY 1989-90 would be reimbursed. Revenue will be recognized in FY 1991-92.

Purchase commitments for construction, materials and services at June 30, 1991 were \$15.2 million.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

(b) *Port of San Francisco*

Prior to 1969 the Port of San Francisco was owned by the State of California. At that time the Port was transferred to the City under terms and conditions of legislation as ratified by the electorate of the City. Accordingly, the City assumed all debt, including State of California general obligation bonds, from the State at the date of transfer; this debt amounted to \$6.1 million at June 30, 1991. The State retains the right to amend, modify or revoke the transfer provided that it assumes all related lawful obligations.

The Port is currently planning various development projects which involve a commitment to spend significant capital funds. Purchase commitments for construction, materials and services at June 30, 1991 were \$5.7 million.

(c) *Water Department/Hetch Hetchy Project*

The segment data presented reflects the combined statements of the Water Department/Hetch Hetchy Project (Water/Hetch Hetchy), whose operations are interrelated. The Hetch Hetchy Project is a system of reservoirs and hydroelectric generating stations and the related distribution systems; it provides the Water Department with its water for San Francisco and other municipalities and sells electric power to City departments and to public and private agencies. Water/Hetch Hetchy charges for services in FY 1990-91 to other City entities were \$42.8 million.

The property tax levy of the City includes amounts to pay annual bond interest and redemption charges on general obligation bonds of Water/Hetch Hetchy, which are included in the Water/Hetch Hetchy Enterprise Fund. Water/Hetch Hetchy transfers a like amount to the General Fund, as described in note 5.

Income from Water/Hetch Hetchy is available for certain operations of the City. During the year ended June 30, 1991, \$15 million was transferred to the General Fund in addition to the amount described above.

The Hetch Hetchy Project has a back-up electric power contract with Pacific Gas & Electric (PG&E) which allows Hetch Hetchy to provide guaranteed power to City entities and third party customers. The contract pricing may be retroactively adjusted by PG&E based on its own costs. Adjustments are recorded as expenses in the year in which they are received.

During FY 1990-91 the Water Department sold \$70.1 million of water revenue bonds to finance improvements to its capital assets.

Purchase commitments for construction, materials and services at June 30, 1991 were \$54.5 million.

(d) *Municipal Railway*

The segment data reflects the combined operations of the San Francisco Municipal Railway (Muni) and the San Francisco Municipal Railway Improvement Corporation (SFMRIC). SFMRIC is a nonprofit corporation organized for the purpose of acquiring, constructing, improving and financing improvements to the City's public transportation system. The City's Annual Appropriation Ordinance provides funds to subsidize Muni's operating deficits as determined under the City's budgetary accounting procedures, subject to the appropriation process.

Power, maintenance and construction costs valued at \$4.8 million for overhead distribution lines used to operate certain Muni vehicles were provided by the Hetch Hetchy Project at no cost to Muni for FY 1990-91.

The Muni collects fees which are intended to recover the capital and/or operating costs of increased peak period transit service associated with new office construction in downtown San Francisco. Several

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

legal actions questioning the legality of these fees have been decided in favor of Muni. The one remaining lawsuit has been decided in favor of Muni but is under appeal; the related cash receipts were placed in escrow, and income recognition in the amount of \$4.2 million has been deferred at June 30, 1991. An allowance of one percent of fees assessed has been provided for the possibility of paying refunds for the conversion of buildings to non-office use. The amount recognized as income in FY 1990-91, including interest, was \$8.4 million and is reported as non-operating revenue.

As of June 30, 1991, the Municipal Railway had various approved capital grants with unused balances amounting to \$129.6 million available to finance various improvements. Contract commitments were \$54.8 million at June 30, 1991.

The State Public Utilities Code provides that fare revenues must equal or exceed 33% of operating costs in order to qualify for allocation of sales tax revenues available for public transit. However, state law provides that a portion of the City's subsidy may count toward meeting the 33% requirement, subject to annual approval. Muni did not meet this specified percentage of fare revenue in FY 1990-91, and has requested inclusion of the subsidy. No response has been received. Muni management believes no liability will result.

(e) *Laguna Honda Hospital*

The operations of Laguna Honda Hospital, an acute health care facility specializing in serving elderly and disabled residents, were established as an enterprise fund on July 1, 1983. As with other subsidized enterprises, the City's policy is to fund Laguna Honda's operating deficits on a budgetary basis, subject to the appropriation process.

(f) *General Hospital Medical Center*

The City's policy provides for the General Fund to fund operating deficits of the General Hospital Medical Center (Hospital), as determined in accordance with the City's budgetary accounting procedures, subject to the appropriation process.

The State provides funding for medically indigent adult patients. Such amounts totaled \$20.1 million in FY 1990-91 and are included in operating revenues.

The Hospital has received short-term loans from the California Health Facilities Financing Authority, which has sold revenue bonds to fund loans to various California hospitals. At June 30, 1991, the amount outstanding was \$69.0 million, which was paid on October 1, 1991, when due (note 7).

(g) *Clean Water Program*

The Clean Water Program Enterprise Fund was established pursuant to bond resolutions to account for the whole of the municipal sewage treatment and disposal system, including a major construction program currently underway.

A substantial part of the cost of the total construction program has been and is expected to be provided by capital grants from the United States Environmental Protection Agency and capital grants and loans from the California State Water Resources Control Board. The Clean Water Program's portion of financing has been and is expected to be provided from revenue bond proceeds.

To provide for possible deferral or discontinuance of Federal and state grant funds, Clean Water management has developed a schedule consistent with its Master Plan that builds operating core systems on both sides of the City. Both systems are operational and achieve 93% of the environmental benefits of the Master Plan. These systems will be interconnected and enlarged in incremental stages to ensure functioning units while implementing the Master Plan program. The completed two-core system is

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

expected to cost \$1,003 million. Funding for \$1,033 million is available. As of June 30, 1991, the Clean Water Program had outstanding construction contract commitments of \$116.0 million.

The Clean Water Program has entered into several loan contracts with the California State Water Resources Control Board under which it can borrow up to \$122.2 million to finance the Oceanside Water Pollution Control Plant and the Mariposa Facilities. The interest rates would not exceed 3.5% per annum. As of June 30, 1991 the Clean Water Program had borrowed \$47.7 million under the loan contracts.

The City is currently operating under Cease and Desist Orders imposed by the San Francisco Bay Regional Water Quality Control Board which contain project schedules leading to compliance with all provisions of the Federal Water Pollution Control Act by 1996. The Clean Water Program management believes that, given the assumed level of grant, bond and loan funding, the City will comply with the Orders.

On October 3, 1991 the Clean Water Program sold \$170.0 million General Purpose Sewer Revenue Bonds to provide additional financing for facilities required under the Cease and Desist Orders.

During FY 1990-91, an operating transfer of \$4.6 million was made from the City's Debt Service Fund to provide for general obligation debt service of the Clean Water Program. The City has approved an operating transfer of \$4.6 million for FY 1991-92.

(h) *Parking Garages / Other*

The segment data reflects the operations of five parking garages operated by separate nonprofit corporations organized by the City. This segment data also includes the San Francisco Market Corporation, a nonprofit corporation organized to acquire, construct, finance and operate a produce market, and the Redevelopment Agency's South Beach Harbor Project, an enterprise fund established to commercially develop an area of the Bay waterfront and operate a boat harbor. All of the nonprofit corporations had net income for their most recent fiscal year.

As of June 30, 1991 the Redevelopment Agency is in violation of certain debt coverage covenants in the South Beach Harbor project variable rate bond indenture and the bank letter of credit agreement securing the bonds and may be technically held in default for these violations. The bank holding the letter of credit has proposed a restructuring of the debt involving a sublease of the South Beach Harbor by the Agency to the Redevelopment Financing Authority, which would then lease the Harbor back to the Agency. On September 10, 1991, the Agency Commission gave authorization for this sublease and leaseback transaction. Final negotiations are currently in process.

(10) San Francisco Redevelopment Agency

The San Francisco Redevelopment Agency (Agency) is a public body, corporate and politic, organized and existing under the Community Redevelopment Law of the State of California. Since its organization in 1948, the Agency has completed redevelopment plans for six redevelopment project areas and has six redevelopment plans now being implemented, including the newly created South of Market Earthquake Recovery Redevelopment Area. The redevelopment process, which seeks to increase the City's housing and tax base while accommodating needed public projects, has been applied to approximately 4% of the City's total land area. The Agency has adopted as its current mission the creation of affordable housing and economic development opportunities citywide.

The Agency has no direct taxing power and does not have the power to pledge the general credit or taxing power of the City, the State of California or any political subdivision thereof. However, California's Health and Safety Code allows redevelopment agencies to recover costs of financing public improvements from increased tax revenues associated with individual project areas' increased property values.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

During the year, the Agency received \$5.3 million from this source, of which \$3.4 million was recognized as revenue. This amount is less than the full amount of the tax increment in the project areas as it is determined under an indebtedness limitation agreement with the City. The Agency's other primary sources for funding urban development include rent, interest and proceeds from the sale of land acquired for redevelopment. Renegotiated land disposition agreements generated significant other income for the Agency during the fiscal year. Additionally, installment payments, totalling \$16.6 million, have been recorded as other liabilities until title is transferred. The following is a financial summary of the Agency's Capital Projects Fund at June 30, 1991 (in thousands).

ASSETS		OPERATIONS	
Deposits, investments and other assets	\$ 91,457	Revenues:	
Property held for resale and/or lease	93,936*	Tax increment	\$ 3,413
Total assets	<u>\$185,393</u>	Land sales proceeds	849
		Investment earnings	5,092
		Rent	4,198
		Other	12,041
			<u>25,593</u>
Accounts payable and deferred revenues	<u>\$ 36,812</u>	Expenditures—capital outlay	<u>36,408</u>
Fund balance:		Excess of expenditures over revenues	(10,815)
Reserved for property held for resale and/or		Other financing sources (uses):	
lease	93,936	Loan proceeds from Redevelopment Financing	
Unreserved—undesignated	54,645	Authority	22,996
	<u>148,581</u>	Transfer to Enterprise Fund	(1,990)
Total liabilities and fund balance	<u>\$185,393</u>	Transfer to Debt Service Fund	<u>(8,443)</u>
		Excess of revenues and other sources over	
		expenditures and other uses	1,748
		Fund balance at beginning of year	157,437
		Net change in reserve for assets not available for	
		appropriation	<u>(10,604)</u>
		Fund balance at end of year	<u>\$148,581</u>

* Use of proceeds is or is expected to be restricted for specific project costs by contractual agreement.

During FY 1990-91, the City and County of San Francisco Redevelopment Financing Authority (Authority), which is a separate public entity pursuant to a joint exercise of powers agreement with the City, sold \$23.0 million in tax allocation revenue bonds, proceeds of which were loaned to the Agency to finance capital improvements and provide working capital in the Western Addition A-2, Rincon Point-South Beach, and Yerba Buena Center project areas. Loan payments to the Authority equal debt service payments, and are secured by property tax increment revenues. Because the loan transaction is entirely within the financial reporting entity, it has been eliminated in the combined financial statements. The Authority is accounted for as a debt service fund. Additionally, the Agency sold \$16.8 million tax allocation bonds which are expected to be paid from proceeds of sale of five specific land parcels in the Yerba Buena Center project area, but, if necessary, could be paid from tax increment revenues.

During FY 1990-91, the Agency sold \$60.5 million in refunding lease revenue bonds to advance refund \$63.4 million of the outstanding Moscone Convention Center Lease Revenue 1979 Series bonds and to generate an additional \$6.0 million of proceeds for the City's use in expansion and improvements to the Moscone Convention Center. Other lease revenue bonds issued in prior years for the Moscone Convention Center and other properties leased to the City, had an outstanding balance of \$151.9 million (note 7) at June 30, 1991. The City's expansion of the Moscone Center is expected to be completed in 1992. Construction activity is accounted for in a capital project fund of the City. The Agency accounts for bond construction money in an agency account held for the benefit of the City.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

During FY 1990-91, the Agency augmented its citywide housing fund by \$10.1 million. These funds will be used to fund conditional grants or other subsidies to improve or construct rental housing for low income persons outside redevelopment project areas. The grants are contingent upon 50 year affordability restrictions on qualifying tenant incomes and allowable rents.

In order to facilitate construction and rehabilitation within the project areas, the Agency has issued various construction loan notes, promissory notes, mortgage revenue bonds, and special assessment bonds with an aggregate outstanding balance of \$437.6 million at June 30, 1991. These obligations are secured by the related mortgage indebtedness or property and, in the opinion of management, are not obligations of the Agency or City.

(11) Due From and Due To Other Funds

Amounts due from or due to other funds at June 30, 1991 are as follows (in thousands):

	Due From Other Funds	Due To Other Funds		Due From Other Funds	Due To Other Funds
General Fund	\$ 72,540	\$ 25,530	Enterprise Funds:		
Special Revenue Funds:			San Francisco International Airport	\$ —	\$ 5,337
Hotel Tax Fund	—	11,133	Port of San Francisco	847	1,744
Gasoline Tax Fund	326	2,496	Water Department/Hetch Hetchy		
Convention Facilities Fund	7,658	184	Project	674	4,271
Open Space and Park Fund	48	1,074	Municipal Railway	909	43,176
Community Development Block			Laguna Honda Hospital	1,075	9,546
Grant Fund	462	911	General Hospital Medical Center	10,141	4,148
Senior Citizens' Programs Fund	56	927	Clean Water Program	366	6,899
Candlestick Park Fund	830	358	Parking Garages/Other	—	3,783
Special Recreation and Park Revenue Fund	1,234	984		<u>14,012</u>	<u>78,904</u>
San Francisco County Transportation			Internal Service Funds:		
Authority Fund	—	7,093	Data Processing Fund	2,829	99
Building Inspection Fund	—	1,258	Central Shops Fund	3,165	1,894
Health and Human Services Fund ..	282	3,916	Other Internal Service Funds	1,181	96
Off-Street Parking Fund	851	279		<u>7,175</u>	<u>2,089</u>
Department of Criminal Justice Planning Fund	84	3,463	Fiduciary Funds:		
State Housing and Community Development Fund	—	2	Employees' Retirement System	634	433
Department of Health Fund	1,871	4,667	Health Service System	1,564	1
Miscellaneous Federal Grant Funds ..	—	803	Expendable Trust Fund—Gift Fund ..	16	3,347
Miscellaneous State Grant Funds ..	767	—	Agency Funds:		
Other Special Revenue Funds	<u>38,929</u>	<u>6,000</u>	Payroll Deduction Fund	—	3
	<u>53,398</u>	<u>45,548</u>	Unapportioned Taxes Fund	2,273	2,272
Debt Service Funds:			Transportation Fund	65	90
General Obligation Fund	92	91	Deposits Fund	—	1,928
Moscone Lease Revenue Bonds Fund	1,782	—	Assistance Program Fund	2	1,551
	<u>1,874</u>	<u>91</u>	School and College District Fund ..	193	2,924
Capital Projects Funds:			Construction Deposits Fund	—	55,254
Redevelopment Agency Fund	1,630	—	Other Agency Funds	25	450
Street Improvement Fund	8,152	1,361		<u>4,772</u>	<u>68,253</u>
City Facility Improvement Fund	3,265	—	Total	<u>\$222,313</u>	<u>\$222,313</u>
Recreation and Park Projects Fund ..	506	481			
Moscone Convention Center Fund	53,472	—			
Other Capital Projects Funds	1,517	56			
	<u>68,542</u>	<u>1,898</u>			

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

(12) Commitments and Contingent Liabilities

(a) Claims and Litigation

Numerous lawsuits related to the governmental fund types are pending or threatened against the City. The City Attorney estimates the amount of liability determined to be probable of occurrence as of June 30, 1991, in accordance with Statement of Financial Accounting Standards No. 5, to be approximately \$49.1 million. Claims and litigation in the governmental fund types approximating \$23.7 million are estimated to be payable in the next year and are included as liabilities of the General Fund. The remainder is included in the General Long-Term Obligations Account Group. The recorded liability is the City's best estimate based on available information and may be revised as further information is obtained and as pending cases are litigated.

The City Attorney estimates that certain other pending cases have a reasonable possibility (defined as more than remote but less than likely) of resulting in additional liability in the aggregate amount of \$20.5 million. This amount is not recorded in the accompanying financial statements because the status and/or facts of these cases are such that it is not probable that a loss has been incurred as of June 30, 1991.

The Municipal Railway self-insures for estimated accident claims. Estimated accident claims payable amounted to approximately \$12.1 million as of June 30, 1991. Estimated claims payable in other Enterprise Funds were \$6.0 million. The Health Service System had estimated claims payable of \$9.1 million for direct provider care services at June 30, 1991.

(b) Grants and Subventions

Receipts from Federal and state grants and other similar programs are subject to audit to determine if the monies were expended in accordance with appropriate statutes, grant terms and regulations. The City believes that no significant liabilities will result.

(c) Insurance

For its general governmental activities, Clean Water Program, Laguna Honda Hospital and General Hospital Medical Center, the City self-insures all general liability risks and substantially all its property risks except for limited excess coverage maintained on certain facilities. Payment of claims is provided through annual appropriations which are based on claims payment experience, and supplemental appropriations.

Limited external insurance coverage is maintained by the San Francisco Redevelopment Agency, San Francisco International Airport, Port of San Francisco, Water Department/Hetch Hetchy Project and Municipal Railway. Additionally, coverage is maintained for Moscone Convention Center property and personal liability, and for art at City-owned museums.

The City self-insures for workers' compensation coverage. The City estimates claims liability based on current industry practice, including an estimate for incurred but not recorded claims. The total amount estimated to be payable for claims incurred as of June 30, 1991 was \$107.7 million which is reported in the appropriate individual funds and the General Long-Term Obligations Account Group in accordance with the City's accounting policies (note 2).

(d) Capital Leases

The City has entered into a lease agreement as lessee for financing the acquisition of telephone equipment. The City has also financed certain computer equipment in the Data Processing Internal Service Fund. These agreements qualify as capital leases for accounting purposes and, therefore, have

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

been recorded in the financial statements as fixed assets and related lease debt. Future capital lease payment requirements are included in note 7.

(e) Operating Leases

The City has operating leases for certain buildings and data processing equipment which are not material to the City's operations. The Airport, Port and two parking garages lease various facilities to tenants and concessionaires who will provide the following minimum annual payments (in thousands):

<u>Fiscal Years</u>	<u>Amount</u>
1992	\$ 48,021
1993	46,154
1994	39,103
1995	24,293
1996	10,360
Thereafter	<u>210,166</u>
	<u>\$378,097</u>

(f) Deficit Fund Balances/Retained Earnings

At June 30, 1991, the two hospital enterprise funds, Laguna Honda Hospital and General Hospital Medical Center, had accumulated deficits of \$4.6 million and \$30.8 million, respectively. The City's policy is to fund operating deficits on a budgetary basis, which approximates the modified accrual basis of accounting. Accordingly, depreciation and certain non-current accrued expenses are not funded, resulting in continuing deficits. The Senior Citizens' Programs Special Revenue Fund had a deficit fund balance of \$0.3 million at June 30, 1991. FY 1991-92 operations will absorb the deficit by appropriate budget restrictions.

**Combining, Individual Fund and
Individual Account Group Financial
Statements and Schedules**

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CITY AND COUNTY OF SAN FRANCISCO

GENERAL FUND

The General Fund accounts for resources that are traditionally associated with governments and that are not required to be accounted for in another fund. Consequently, revenues and expenditures of the Traffic Fines and the Welfare Assistance and Administration Funds are accounted for in the General Fund.

CITY AND COUNTY OF SAN FRANCISCO

GENERAL FUND

Comparative Balance Sheet
June 30, 1991 and 1990

(In Thousands)

	1991	1990
ASSETS		
Deposits and investments	\$ 1,449	\$100,797
Receivables (net of allowance for uncollectible amounts of \$7,804 in 1991):		
Property taxes and penalties	48,669	46,155
Other local taxes	80,397	76,827
Federal and state grants and subventions	22,345	25,540
Charges for services	2,161	239
Interest and other	3,431	4,452
Due from other funds	72,540	38,451
Inventories	236	594
Deferred charges and other assets	967	603
Total assets	<u>\$232,195</u>	<u>\$293,658</u>
LIABILITIES		
Accounts payable	\$ 14,015	\$ 15,551
Accrued payroll	39,589	37,452
Accrued vacation and sick leave pay	30,167	29,396
Accrued workers' compensation	15,000	12,000
Estimated claims payable	23,708	18,938
Deferred tax, grant and subvention revenues	39,749	50,424
Due to other funds	25,530	32,607
Deferred credits and other liabilities	18,355	6,655
Total liabilities	<u>206,113</u>	<u>203,023</u>
FUND EQUITY		
Fund balances:		
Reserved by charter for cash requirements	48,534	43,574
Reserved by charter for emergencies	4,862	4,862
Reserved for inventory type assets not available for appropriation	1,808	1,485
Reserved for encumbrances	19,494	15,623
Reserved for appropriation carryforward	5,714	11,286
Reserved for subsequent years' budgets	9,981	12,750
Unreserved—undesignated (deficit)	(64,311)	1,055
Total fund equity	<u>26,082</u>	<u>90,635</u>
Total liabilities and fund equity	<u>\$232,195</u>	<u>\$293,658</u>

CITY AND COUNTY OF SAN FRANCISCO

GENERAL FUND

Comparative Statement of Revenues, Expenditures
and Changes in Fund Balance
Years ended June 30, 1991 and 1990

(In Thousands)

	1991	1990
Revenues:		
Property taxes	\$ 441,639	\$ 420,820
Business taxes	156,394	152,265
Other local taxes	171,190	170,238
Grants and subventions	361,840	353,615
Licenses, fines and penalties	46,584	46,856
Interest and investment earnings	18,810	20,081
Charges for services	29,385	27,626
Other	11,094	7,088
Total revenues	<u>1,236,936</u>	<u>1,198,589</u>
Expenditures:		
Public protection	466,112	443,808
Public works, transportation and commerce	31,462	23,867
Human welfare and neighborhood development	269,142	245,162
Community health	158,098	135,886
Culture and recreation	65,896	62,755
General administration and finance	123,239	106,420
Total expenditures	<u>1,113,949</u>	<u>1,017,898</u>
Excess of revenues over expenditures	<u>122,987</u>	<u>180,691</u>
Other financing sources (uses):		
Operating transfers in	42,778	34,796
Operating transfers out	(230,640)	(207,289)
	<u>(187,862)</u>	<u>(172,493)</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(64,875)	8,198
Fund balances at beginning of year	90,635	82,005
Net change in reserve for inventory type assets not available for appropriation	<u>322</u>	<u>232</u>
Fund balances at end of year	<u>\$ 26,082</u>	<u>\$ 90,635</u>

CITY AND COUNTY OF SAN FRANCISCO

GENERAL FUND

Schedule of Expenditures and Encumbrances by Department—
Budget and Actual—Budget Basis
Year ended June 30, 1991

(In Thousands)

	Revised Budget	Actual	Variance- Favorable (Unfavorable)
Public Protection			
District Attorney	\$ 22,208	\$ 21,830	\$ 378
Public Defender	8,287	8,273	14
Sheriff	32,030	31,857	173
Superior Court	18,222	18,166	56
Municipal Court	20,182	19,957	225
Juvenile Court	15,530	15,402	128
Adult Probation	5,868	5,551	317
County Clerk	5,116	4,986	130
Fire Department	146,578	143,384	3,194
Police Department	193,146	191,956	1,190
County Agriculture/Weights and Measures	750	741	9
Animal Care and Control	1,842	1,684	158
Public Administrator/Guardian	2,015	1,922	93
	<u>471,774</u>	<u>465,709</u>	<u>6,065</u>
Public Works, Transportation and Commerce			
Parking and Traffic Commission	11,223	9,106	2,117
Permit Appeals	260	246	14
PUC Light, Heat and Power	4,500	3,697	803
Electricity	6,156	5,862	294
Public Works	14,613	14,579	34
	<u>36,752</u>	<u>33,490</u>	<u>3,262</u>
Human Welfare and Neighborhood Development			
Human Rights Commission	1,848	1,798	50
Social Services	270,107	267,191	2,926
Commission on the Status of Women	598	565	33
	<u>272,563</u>	<u>269,554</u>	<u>3,009</u>
Community Health			
Medical Examiner/Coroner	2,570	2,460	110
Public Health Central Office	65,480	61,518	3,962
Community Mental Health	98,491	95,781	2,710
	<u>166,541</u>	<u>159,759</u>	<u>6,782</u>
Culture and Recreation			
County Education Office	110	91	19
Art Commission	1,438	1,336	102
Public Library	20,772	20,295	477
Recreation and Park Commission	35,901	35,901	—
Academy of Sciences	1,854	1,804	50
Fine Arts Museum	4,559	4,481	78
Asian Art Museum	1,441	1,356	85
Law Library	206	206	—
	<u>66,281</u>	<u>65,470</u>	<u>811</u>
General Administration and Finance			
Board of Supervisors	5,314	4,960	354
Assessor	7,069	6,575	494
City Attorney	5,935	5,707	228
Treasurer/Tax Collector	10,527	10,265	262
Controller	15,407	14,706	701
Mayor	5,394	4,905	489
City Planning	5,937	5,674	263
Civil Service	7,985	7,436	549
Health Service System	32	32	—
Retirement System—Workers' Compensation Division	15,309	14,838	471
Chief Administrative Office	1,010	914	96
Real Estate	2,225	2,207	18
Recorder	954	834	120
Registrar	2,195	2,159	36
Purchaser	3,197	2,210	987
General City Responsibility	31,671	30,679	992
	<u>120,161</u>	<u>114,101</u>	<u>6,060</u>
Total General Fund	<u>\$1,134,072</u>	<u>\$1,108,083</u>	<u>\$25,989</u>

* Includes general claims liability, post retirement benefits and data processing costs.

CITY AND COUNTY OF SAN FRANCISCO

GENERAL FUND

Schedule of Budget Appropriation Changes
Year ended June 30, 1991

(In Thousands)

	Original Budget (a)	Supple- mental Appro- priations	Carryforward Appropriations		Revised Budget
			Beginning	Ending	
Revenues:					
Property taxes	\$ 448,025	\$ —	\$ —	\$ —	\$ 448,025
Business taxes	155,000	—	—	—	155,000
Other local taxes	178,000	4,900	—	—	182,900
Grants and subventions	363,476	(3,844)	—	4,428	355,204
Licenses, fines and penalties	63,345	—	—	—	63,345
Interest and investment earnings ..	17,189	1,342	—	(24)	18,555
Charges for services	35,175	742	—	269	35,648
Other	8,529	214	—	—	8,743
Total revenues	<u>1,268,739 (b)</u>	<u>3,354</u>	<u>—</u>	<u>4,673</u>	<u>1,267,420</u>
Expenditures and encumbrances:					
Public protection	464,568	8,811	2,925	4,530	471,774
Public works, transportation and commerce	34,377	2,109	676	410	36,752
Human welfare and neighborhood development	262,970	11,813	461	2,681	272,563
Community health	162,233	3,716	2,411	1,819	166,541
Culture and recreation	65,171	1,791	436	1,117	66,281
General administration and finance	<u>112,186</u>	<u>7,021</u>	<u>4,330</u>	<u>3,376</u>	<u>120,161</u>
Total expenditures and encumbrances	<u>1,101,505</u>	<u>35,261</u>	<u>11,239</u>	<u>13,933</u>	<u>1,134,072</u>
Excess of revenues over expenditures and encumbrances	<u>167,234</u>	<u>(31,907)</u>	<u>(11,239)</u>	<u>(9,260)</u>	<u>133,348</u>
Other financing sources (uses):					
Operating transfers in	43,316 (c)	9,640	—	4,217	48,739
Operating transfers out	<u>(234,146)</u>	<u>(22,559)</u>	<u>(47)</u>	<u>(671)</u>	<u>(256,081)</u>
	<u>(190,830)</u>	<u>(12,919)</u>	<u>(47)</u>	<u>3,546</u>	<u>(207,342)</u>
Excess (deficiency) of revenues and other sources over (under) expenditures, encumbrances and other uses	<u>(23,596)</u>	<u>(44,826)</u>	<u>(11,286)</u>	<u>(5,714)</u>	<u>(73,994)</u>
Fund balances at beginning of year	133,861	—	—	—	133,861
Fund balances at end of year	<u>\$ 110,265</u>	<u>\$(44,826)</u>	<u>\$(11,286)</u>	<u>\$(5,714)</u>	<u>\$ 59,867</u>

- (a) Certain reclassifications have been made to the original budget to conform to City accounting procedures.
- (b) Differs from the Annual Appropriations Ordinance due to \$246.7 million of budgeted revenues for Welfare Assistance and Administration and Traffic Fines, included as General Fund revenue because related expenditures are General Fund expenditures.
- (c) Includes \$28.5 million considered to be equity or contribution transfers in the Annual Appropriation Ordinance.

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes. Fifteen major funds are separately identified representing 87.7% of the combined revenues of the Special Revenue Funds. Three groupings of smaller funds are reported for miscellaneous Federal and state grants and other minor funds. Operations of those three fund groupings are shown in a separate schedule.

Hotel Tax Fund—Accounts for the portion of the hotel room tax not allocated directly to the General Fund. Allocations from this fund are controlled by continuing ordinance. Fifty-two percent is designated for lease payments of the Moscone Center in the Yerba Buena Center Redevelopment Project Area and operating costs of the various convention facilities: Moscone Center, Brooks Hall and the Civic Auditorium. Seventeen and six-tenths percent is retained in the Hotel Tax Fund for promotional and advertising expenses. Ten percent goes to the War Memorial Fund for certain operating costs. The San Francisco Stadium, Inc. receives 6.23% for improvement of and debt service for Candlestick Park. Another 6.23% is designated for low income housing in Yerba Buena Center Redevelopment Project Area, together with specific lump sum allocations for limited purposes related to housing. The remainder is transferred to the General Fund for specific costs or undesignated general uses.

Gasoline Tax Fund—Accounts for the subventions received from state gas taxes under the provision of the Streets and Highways Code and for operating transfers from other funds which are used for the same purposes. State subventions are restricted to uses related to local streets and highways, acquisitions of real property, construction and improvements, and maintenance and repairs.

Convention Facilities Fund—Accounts for operating transfers from the Hotel Tax Fund and for operating revenues of the convention facilities: Moscone Center, Brooks Hall and the Civic Auditorium. In addition to transfers for lease payments of the Moscone Center, this fund provides for operating costs of the various convention facilities and the San Francisco Convention and Visitors Bureau.

Open Space and Park Fund—Accounts for property tax revenues designated by Charter provision, interest earnings and miscellaneous service charges and gifts. Monies in this fund are used as specified in the charter for acquisition and development of parks and open space parcels, for renovation of existing parks and recreation facilities, for maintenance of properties acquired and for after-school recreation programs.

Community Development Fund—Accounts for federally funded grants from the Department of Housing and Urban Development to provide for community development of rundown areas; to promote new housing, child care centers and public recreation areas; to provide a variety of social programs for the underprivileged; and provide loans for various community development activities.

Senior Citizens' Programs Fund—Accounts for revenues from the allocation of one-fourth of the parking tax receipts and for grants from the state to be used to promote the well-being of San Francisco senior citizens.

Candlestick Park Fund—Accounts for operating transfers from the Hotel Tax Fund and for revenues generated by operations at Candlestick Park used for certain operating costs and project expenditures.

Special Recreation and Park Revenue Fund—Accounts for revenues received from lease of all Recreation and Park Department facilities and from other uses of Department property with revenues used for certain specified operating costs.

San Francisco County Transportation Authority Fund—Accounts for the proceeds of a one-half of one percent increase in local sales tax authorized by the voters for mass transit and other traffic and transportation purposes effective April 1, 1990.

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS—(Continued)

Building Inspection Fund—Accounts for the revenues and expenditures of the Bureau of Building Inspection which provides enforcement and implementation of laws regulating the use, occupancy, location and maintenance of buildings.

Health and Human Services Fund—Accounts for grants from the Department of Health and Human Services in the areas of health, education and welfare.

Off-Street Parking Fund—Accounts for parking meter revenues and expenditures for off-street parking purposes including administration, maintenance and operation of neighborhood parking lots and garages.

Department of Criminal Justice Planning Fund—Accounts for various grants used to promote crime prevention and public safety.

State Housing and Community Development Fund—Accounts for various grants used to promote local housing requirements and community development planning.

Department of Health Fund—Accounts for various state grants used to promote public health and mental health programs.

Miscellaneous Federal Grant Funds—Accounts for various grants from the Federal government used or expended for a specific purpose, activity or facility. Included in this group are seven funds which represent 1.1% of the combined revenues of the Special Revenue Funds. The largest of this group is 0.3% of the total.

Miscellaneous State Grant Funds—Accounts for various grants from the State of California used or expended for a specific purpose, activity or facility. Included in this group are fifteen funds which represent 1.2% of the combined revenues of the Special Revenue Funds. The largest of this group is 0.5% of the total.

Other Special Revenue Funds—Accounts for the activities of sixty-four non-grant Special Revenue Funds, generally established by administrative action, which include 10.0% of the combined revenues of the Special Revenue Funds. The largest fund in this group is 1.1% of the total. Most of these funds are not budgeted annually because the revenue source is not certain as of the beginning of the fiscal year, or because departments have limited expenditure authority for specific revenue sources.

The fifteen funds which do have annual budgets are:

1. Animal Control and Welfare Fund
2. Cable Television Access Development Fund
3. Taxicab Enforcement Fund
4. Rent Arbitration Board Fund
5. Representative Payee Program Fund
6. Marina Yacht Harbor Fund
7. War Memorial Special Fund
8. Museums Admissions Fund
9. Street Artist Program Fund
10. Market Street Art Maintenance Fund
11. Youth Arts Fund
12. Sheriff's Special Maintenance Fund
13. Domestic Violence Program Fund
14. Automated Traffic Warrant Fund
15. State Authorized Special Revenue Fund

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Combining Balance Sheet
June 30, 1991
With comparative totals as of June 30, 1990

(In Thousands)

ASSETS

	Hotel Tax Fund	Gasoline Tax Fund	Convention Facilities Fund	Open Space and Park Fund	Community Develop- ment Fund	Senior Citizens' Programs Fund	Candlestick Park Fund	Special Recreation and Park Revenue Fund	San Francisco County Transportation Authority Fund	Building Inspection Fund
Deposits and investments	\$ —	\$13,932	\$15,143	\$23,988	\$ 3,591	\$ —	\$3,628	\$1,775	\$45,484	\$4,107
Investments with trustee	—	—	319	—	2,641	—	—	—	—	—
Receivables (net of allowance for uncollectible amounts of \$206 in 1991):										
Property taxes and penalties	—	—	—	1,027	—	—	—	—	—	—
Other local taxes	12,903	—	—	—	—	1,266	—	—	3,082	—
Federal and state grants and subventions	—	—	—	—	7,358	102	—	—	—	—
Interest and other	—	262	—	505	119	—	—	2	900	109
Due from other funds	—	326	7,658	48	462	56	830	1,234	—	—
Loans receivable	—	—	811	500	30,026	—	241	908	—	—
Inventories	—	—	—	—	—	—	—	16	—	—
Deferred charges and other assets	—	—	—	—	1,290	—	—	—	50	2
Total assets	<u>\$12,903</u>	<u>\$14,520</u>	<u>\$23,931</u>	<u>\$26,068</u>	<u>\$45,487</u>	<u>\$1,424</u>	<u>\$4,699</u>	<u>\$3,935</u>	<u>\$49,516</u>	<u>\$4,218</u>

LIABILITIES

Accounts payable	\$ 515	\$ 311	\$ 619	\$ 242	\$ 1,775	\$ 599	\$ 106	\$ 493	\$ 40	\$ 98
Accrued payroll	17	326	30	549	115	45	78	3	21	—
Deferred tax, grant and subvention revenues	—	—	—	—	8,941	185	—	—	—	—
Due to other funds	11,133	2,496	184	1,074	911	927	358	984	7,093	1,258
Deferred credits and other liabilities	—	—	1,385	912	29,483	—	—	411	—	—
Total liabilities	<u>11,665</u>	<u>3,133</u>	<u>2,218</u>	<u>2,777</u>	<u>41,225</u>	<u>1,756</u>	<u>542</u>	<u>1,891</u>	<u>7,154</u>	<u>1,356</u>

FUND EQUITY

Fund balances:										
Reserved for inventory type assets not available for appropriation	—	—	1,131	500	3,656	—	—	—	45	—
Reserved for encumbrances	589	485	3,153	573	—	241	33	197	—	22
Reserved for appropriation carryforward	663	5,355	12,466	15,035	1,564	384	1,135	279	28,741	426
Unreserved—undesignated (deficit)	(14)	5,547	4,963	7,183	(958)	(957)	2,989	1,568	13,576	2,414
Total fund equity	<u>1,238</u>	<u>11,387</u>	<u>21,713</u>	<u>23,291</u>	<u>4,262</u>	<u>(332)</u>	<u>4,157</u>	<u>2,044</u>	<u>42,362</u>	<u>2,862</u>
Total liabilities and fund equity	<u>\$12,903</u>	<u>\$14,520</u>	<u>\$23,931</u>	<u>\$26,068</u>	<u>\$45,487</u>	<u>\$1,424</u>	<u>\$4,699</u>	<u>\$3,935</u>	<u>\$49,516</u>	<u>\$4,218</u>

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Combining Balance Sheet—(Continued)

June 30, 1991

With comparative totals as of June 30, 1990

(In Thousands)

ASSETS

Health and Human Services Fund	Off-Street Parking Fund	Department of Criminal Justice Planning Fund	State Housing and Community Development Fund	Department of Health Fund	Miscellaneous Federal Grant Funds	Miscellaneous State Grant Funds	Other Special Revenue Funds	Total		
								1991	1990	
\$ —	\$21,242	\$2,860	\$ (186)	\$ 4,469	\$ —	\$ 68	\$15,687	\$155,788	\$101,443	Deposits and investments
—	—	—	—	—	—	—	—	2,960	1,922	Investments with trustee
—	—	—	—	—	—	—	—	—	—	Receivables (net of allowance for uncollectible amounts of \$206 in 1991):
—	—	—	—	—	—	—	—	1,027	972	Property taxes and penalties
—	—	—	—	—	—	—	28	17,279	16,941	Other local taxes
6,244	—	942	1,130	5,266	2,065	2,442	—	25,549	14,922	Federal and state grants and subventions
—	6	—	—	115	—	—	207	2,225	2,974	Interest and other
282	851	84	—	1,871	—	767	38,929	53,398	57,889	Due from other Funds
—	—	—	—	—	—	—	351	32,837	30,975	Loans receivable
—	—	—	—	—	—	—	235	251	22	Inventories
—	—	—	—	—	—	—	—	—	—	Deferred charges and other assets
513	2	14	174	—	319	384	6,416	9,164	5,657	
<u>\$7,039</u>	<u>\$22,101</u>	<u>\$3,900</u>	<u>\$1,118</u>	<u>\$11,721</u>	<u>\$2,384</u>	<u>\$3,661</u>	<u>\$61,853</u>	<u>\$300,478</u>	<u>\$233,717</u>	Total assets

LIABILITIES

\$1,234	\$ 184	\$ 108	\$ 480	\$ 1,874	\$ 129	\$ 96	\$ 4,687	\$ 13,590	\$ 11,315	Accounts payable
388	157	111	—	216	24	43	8,048	10,171	9,112	Accrued payroll
1,308	—	144	462	4,964	597	3,152	—	19,753	7,194	Deferred tax, grant and subvention revenues
3,916	279	3,463	2	4,667	803	—	6,000	45,548	43,392	Due to other funds
193	778	74	174	—	831	370	12,634	47,245	38,923	Deferred credits and other liabilities
<u>7,039</u>	<u>1,398</u>	<u>3,900</u>	<u>1,118</u>	<u>11,721</u>	<u>2,384</u>	<u>3,661</u>	<u>31,369</u>	<u>136,307</u>	<u>109,936</u>	Total liabilities

FUND EQUITY

—	356	—	—	—	—	—	550	6,238	4,018	Fund balances:
—	4,803	—	—	—	—	—	1,822	11,918	8,230	Reserved for inventory type assets not available for appropriation
—	10,025	—	—	—	—	—	12,964	89,037	62,680	Reserved for encumbrances
—	5,519	—	—	—	—	—	15,148	56,978	48,853	Reserved for appropriation carryforward
—	20,703	—	—	—	—	—	30,484	164,171	123,781	Unreserved—undesignated (deficit)
<u>\$7,039</u>	<u>\$22,101</u>	<u>\$3,900</u>	<u>\$1,118</u>	<u>\$11,721</u>	<u>\$2,384</u>	<u>\$3,661</u>	<u>\$61,853</u>	<u>\$300,478</u>	<u>\$233,717</u>	Total fund equity
										Total liabilities and fund equity

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Year ended June 30, 1991

With comparative totals for the year ended June 30, 1990

(In Thousands)

	Hotel Tax Fund	Gasoline Tax Fund	Convention Facilities Fund	Open Space and Park Fund	Community Develop- ment Fund	Senior Citizens' Programs Fund	Candlestick Park Fund	Special Recreation and Park Revenue Fund	San Francisco County Transportation Authority Fund	Building Inspection Fund
Revenues:										
Property taxes	\$ —	\$ —	\$ —	\$12,475	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Business taxes	—	—	—	—	—	—	—	—	—	—
Other local taxes	50,589	—	—	—	—	5,600	1,058	—	44,033	—
Grants and subventions	—	16,704	—	179	12,123	4,413	—	108	—	259
Licenses, fines and penalties	—	176	—	—	—	—	—	—	—	2,457
Interest and investment earnings	—	919	11	1,738	2,318	1	—	7	2,005	393
Charges for services	—	351	5,313	—	19	—	6,682	14,976	—	12,849
Other	—	90	—	—	687	—	370	747	—	—
Total revenues	50,589	18,240	5,324	14,392	15,147	10,014	8,110	15,838	46,038	15,958
Expenditures:										
Public protection	—	—	—	—	—	—	—	—	—	—
Public works, transportation and commerce	—	26,547	—	—	—	—	—	—	—	16,432
Human welfare and neighborhood development	—	—	—	—	16,966	11,970	—	—	—	—
Community health	—	—	—	—	—	—	—	—	—	—
Culture and recreation	155	—	14,320	15,302	—	78	6,313	8,793	—	—
General administration and finance	8,001	—	3,178	—	—	—	—	—	514	—
Total expenditures	8,156	26,547	17,498	15,302	16,966	12,048	6,313	8,793	514	16,432
Excess (deficiency) of revenues over (under) expenditures	42,433	(8,307)	(12,174)	(910)	(1,819)	(2,034)	1,797	7,045	45,524	(474)
Other financing sources (uses):										
Operating transfers in	—	6,452	29,498	—	—	116	3,152	648	—	—
Operating transfers out	(42,136)	(555)	(13,367)	(779)	(11)	(405)	(4,645)	(6,868)	(8,697)	(125)
	(42,136)	5,897	16,131	(779)	(11)	(289)	(1,493)	(6,220)	(8,697)	(125)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	297	(2,410)	3,957	(1,689)	(1,830)	(2,323)	304	825	36,827	(599)
Fund balances at beginning of year	941	13,797	17,437	24,480	5,385	1,991	3,853	1,219	5,490	3,461
Net change in reserve for assets not available for appropriation	—	—	319	500	707	—	—	—	45	—
Fund balances (deficit) at end of year	\$ 1,238	\$11,387	\$ 21,713	\$23,291	\$ 4,262	\$ (332)	\$ 4,157	\$ 2,044	\$42,362	\$ 2,862

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Combining Statement of Revenues, Expenditures and Changes in Fund Balances—(Continued)
Year ended June 30, 1991

With comparative totals for the year ended June 30, 1990

(In Thousands)

Health and Human Services Fund	Off-Street Parking Fund	Department of Criminal Justice Planning Fund	State Housing and Community Development Fund	Department of Health Fund	Miscellaneous Federal Grants Fund	Miscellaneous State Grant Fund	Other Special Revenue Fund	Total	
								1991	1990
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 12,475	\$ 11,915
—	—	—	—	—	—	—	377	377	—
—	—	—	—	—	—	—	107	101,387	58,726
16,772	—	1,816	4,752	21,374	3,012	3,342	3,278	88,132	89,840
—	—	—	—	—	—	—	1,005	3,638	3,440
—	1,639	—	—	519	—	—	650	10,200	7,747
—	840	—	—	—	—	4	21,532	62,566	62,365
—	—	15	—	—	—	8	1,425	3,342	2,191
16,772	2,479	1,831	4,752	21,893	3,012	3,354	28,374	282,117	236,224
—	57	1,863	—	—	—	745	4,138	6,803	7,767
—	5,303	—	—	—	—	5	3,156	51,443	51,778
—	—	—	4,752	—	64	197	1,726	35,675	29,904
16,671	—	—	—	17,916	529	89	1,483	36,688	27,885
—	49	7	—	—	34	539	8,852	54,442	54,217
—	—	127	—	—	2,385	765	9,251	24,221	22,142
16,671	5,409	1,997	4,752	17,916	3,012	2,340	28,606	209,272	193,693
101	(2,930)	(166)	—	3,977	—	1,014	(232)	72,845	42,531
—	5,810	166	—	—	—	—	5,045	13,167 *	14,294
(101)	(318)	—	—	(3,977)	—	(1,014)	(2,565)	(47,843) *	(52,234)
(101)	5,492	166	—	(3,977)	—	(1,014)	2,480	(34,676)	(37,940)
—	2,562	—	—	—	—	—	2,248	38,169	4,591
—	17,785	—	—	—	—	—	27,942	123,781	118,557
—	356	—	—	—	—	—	294	2,221	633
—	\$20,703	\$ —	\$ —	\$ —	\$ —	\$ —	\$30,484	\$164,171	\$123,781

Revenues:

Property taxes
Business taxes
Other local taxes
Grants and subventions
Licenses, fines and penalties
Interest and investment earnings
Charges for services
Other

Total revenues

Expenditures:

Public protection
Public works, transportation and commerce
Human welfare and neighborhood development
Community health
Culture and recreation
General administration and finance

Total expenditures

Excess (deficiency) of revenues over (under) expenditures

Other financing sources (uses):

Operating transfers in
Operating transfers out

Excess (deficiency) of revenues and other sources over (under) expenditures and other uses

Fund balances at beginning of year

Net change in reserve for assets not available for appropriation

Fund balances (deficit) at end of year

* Net of \$37,720 of intrafund eliminations.

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Schedule of Revenues, Expenditures and Other Financing Sources (Uses)—
Individual Fund Groupings

Year ended June 30, 1991

(In Thousands)

Fund	Revenues	Expenditures	Other Financing Sources (Uses)	Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses
MISCELLANEOUS FEDERAL GRANT FUNDS				
Department of Agriculture	\$ 568	\$ 568	\$ —	\$ —
Department of Commerce	98	98	—	—
Department of Interior	577	577	—	—
Department of Health and Human Services	806	806	—	—
Department of Transportation	2	2	—	—
Department of Housing and Urban Development	926	926	—	—
Department of Education	35	35	—	—
	<u>\$ 3,012</u>	<u>\$ 3,012</u>	<u>\$ —</u>	<u>\$ —</u>
MISCELLANEOUS STATE GRANT FUNDS				
California Board of Correction	\$ 348	\$ 348	\$ —	\$ —
Office of Alcoholism	81	81	—	—
Department of Commerce	23	23	—	—
Department of Education	10	10	—	—
Department of Parks and Recreation	234	81	(153)	—
Department of Health	205	205	—	—
California Secretary of Environmental Affairs ...	1	1	—	—
California Department of Business and Transportation	15	15	—	—
California Public Libraries Services	395	395	—	—
State Board of Control	161	161	—	—
California State Youth Authority	1,484	930	(554)	—
California Coastal Commission	50	50	—	—
California Park and Recreation Historic Preservation	36	36	—	—
State Boating and Waterways	307	—	(307)	—
State Transportation	4	4	—	—
	<u>\$ 3,354</u>	<u>\$ 2,340</u>	<u>\$ (1,014)</u>	<u>\$ —</u>

(Continued)

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Schedule of Revenues, Expenditures and Other Financing Sources (Uses)—
Individual Fund Groupings—(Continued)

Year ended June 30, 1991

(In Thousands)

<u>Fund</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Other Financing Sources (Uses)</u>	<u>Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses</u>
OTHER SPECIAL REVENUE FUNDS				
Animal Control and Welfare	\$ 148	\$ 20	\$ (133)	\$ (5)
DPW Strong Motion (Seismic)	20	15	—	5
DPW Excavation Deposits	222	456	—	(234)
DPW Subdivision Map Review	572	479	—	93
DPW Special Engineering Inspection	337	600	—	(263)
Downtown Park	738	1,356	—	(618)
Defective Sidewalk Repair	1	—	—	1
DPW Building Repairs and Demolitions	1	53	—	(52)
County Fair	172	246	—	(74)
Special Animal Purchase and Exchange	42	2	—	40
Off Highway Vehicle	22	—	—	22
Marina Yacht Harbor	1,205	996	52	261
War Memorial Special	1,157	5,232	3,369	(706)
War Memorial Reserve	218	105	—	113
Health Service System	540	540	—	—
Tenants' Overtime Services	274	257	—	17
Museums Admissions	1,373	1,453	—	(80)
Performing Arts	662	498	—	164
Street Artist Program	134	153	—	(19)
Film Production Permit	71	64	—	7
Library Publication	2	12	—	(10)
Library Special Collection	157	96	—	61
Purchaser's Publication	21	21	—	—
Department of Electricity Custom Work	3	4	—	(1)
DPW Construction Inspection	150	13	—	137
Services for Outside Agencies	325	197	—	128
Real Property General	490	—	(50)	440
Real Estate	87	431	—	(344)
Special Law Enforcement	858	1,023	—	(165)
Cable Television Access Development	107	125	—	(18)
Agricultural Weights and Measures	19	16	—	3
Street Lighting Advance Payments	141	130	—	11
Driver Laboratory Test Costs	64	49	(52)	(37)
Police Peace Officer Training	665	691	—	(26)
Sheriff's Peace Officer Training	182	137	—	45

(Continued)

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Schedule of Revenues, Expenditures and Other Financing Sources (Uses)—
Individual Fund Groupings—(Continued)

Year ended June 30, 1991

(In Thousands)

Fund	Revenues	Expenditures	Other Financing Sources (Uses)	Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses
OTHER SPECIAL REVENUE FUNDS—Continued				
Sheriff's Special Maintenance	\$ 68	\$ —	\$ (68)	\$ —
Sheriff's Inmate Program	410	510	—	(100)
Domestic Violence Program	152	160	(14)	(22)
State Authorized Special Revenue	727	548	(69)	110
DPW Utilities Construction	3	—	(3)	—
Narcotics Forfeiture	2,094	957	—	1,137
Development Agreement	224	269	—	(45)
DPW Delinquent Refuse Collection	1,701	1,333	—	368
Affordable Housing	2,970	2,229	—	741
Affordable Child Care	1,098	—	—	1,098
Social Service Children's Program	157	200	—	(43)
Automated Traffic Warrant System	59	—	(29)	30
Dispute Resolution Program	183	253	—	(70)
Public Utilities Commission	14	845	(26)	(857)
Courthouse Construction	2,284	640	—	1,644
DPW Telecommunications	—	—	(186)	(186)
Representative Payee Program	325	—	(240)	85
Police Crime Laboratory	11	—	—	11
Civil Service	1	1	—	—
Youth Arts	7	25	—	(18)
Market Street Art Maintenance	58	—	—	58
Workers' Compensation	—	15	—	(15)
Vital and Health Statistics	10	—	—	10
Rent Arbitration Board	1,311	1,316	—	(5)
School Deposits	2,458	3,734	(12)	(1,288)
Taxicab Enforcement	1	—	(59)	(58)
Housing Program Fees	274	84	—	190
Neighborhood Beautification	386	17	—	369
Code Enforcement and Rehabilitation	208	—	—	208
	<u>\$28,374</u>	<u>\$28,606</u>	<u>\$ 2,480</u>	<u>\$ 2,248</u>

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Combining Schedule of Revenues, Expenditures,
Encumbrances and Changes in Fund Balances—
Budget and Actual—Budget Basis

Year ended June 30, 1991

(In Thousands)

	Hotel Tax Fund			Gasoline Tax Fund		
	Revised Budget	Actual	Variance- Favorable (Unfavorable)	Revised Budget	Actual	Variance- Favorable (Unfavorable)
Revenues:						
Property taxes	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Other local taxes	50,614	50,588	(26)	—	—	—
Grants and subventions	—	—	—	16,110	16,704	594
Licenses, fines and penalties	—	—	—	210	176	(34)
Interest and investment earnings	—	—	—	1,100	918	(182)
Charges for services	—	—	—	307	352	45
Other	—	—	—	—	90	90
Total revenues	50,614	50,588	(26)	17,727	18,240	513
Expenditures and encumbrances:						
Public protection	—	—	—	—	—	—
Public works, transportation and commerce	—	—	—	27,848	26,630	1,218
Human welfare and neighborhood development	—	—	—	—	—	—
Community health	—	—	—	—	—	—
Culture and recreation	149	149	—	—	—	—
General administration and finance	8,167	8,148	19	—	—	—
Total expenditures and encumbrances	8,316	8,297	19	27,848	26,630	1,218
Excess (deficiency) of revenues over (under) expenditures and encumbrances	42,298	42,291	(7)	(10,121)	(8,390)	1,731
Other financing sources (uses):						
Operating transfers in	—	—	—	8,052	6,452	(1,600)
Operating transfers out	(42,136)	(42,136)	—	(845)	(555)	290
	(42,136)	(42,136)	—	7,207	5,897	(1,310)
Excess (deficiency) of revenues and other sources over (under) expenditures, encumbrances and other uses	162	155	(7)	(2,914)	(2,493)	421
Fund balances at beginning of year	488	488	—	12,557	12,557	—
Amounts budgeted in prior years	—	5	5	—	216	216
Fund balances at end of year	\$ 650	\$ 648	\$ (2)	\$ 9,643	\$10,280	\$ 637

(Continued)

CITY AND COUNTY OF SAN FRANCISCO
SPECIAL REVENUE FUNDS
Combining Schedule of Revenues, Expenditures,
Encumbrances and Changes in Fund Balances—
Budget and Actual—Budget Basis—(Continued)

Year ended June 30, 1991

(In Thousands)

	Convention Facilities Fund			Open Space and Park Fund		
	Revised Budget	Actual	Variance- Favorable (Unfavorable)	Revised Budget	Actual	Variance- Favorable (Unfavorable)
Revenues:						
Property taxes	\$ —	\$ —	\$ —	\$12,700	\$12,669	\$ (31)
Other local taxes	—	—	—	—	—	—
Grants and subventions	—	—	—	170	179	9
Licenses, fines and penalties	—	—	—	—	—	—
Interest and investment earnings	—	11	11	1,582	1,712	130
Charges for services	6,348	5,320	(1,028)	2	—	(2)
Other	—	—	—	—	—	—
Total revenues	<u>6,348</u>	<u>5,331</u>	<u>(1,017)</u>	<u>14,454</u>	<u>14,560</u>	<u>106</u>
Expenditures and encumbrances:						
Public protection	—	—	—	—	—	—
Public works, transportation and commerce	—	—	—	—	—	—
Human welfare and neighborhood development	—	—	—	—	—	—
Community health	—	—	—	—	—	—
Culture and recreation	16,449	14,414	2,035	15,702	15,417	285
General administration and finance	3,398	3,398	—	—	—	—
Total expenditures and encumbrances ..	<u>19,847</u>	<u>17,812</u>	<u>2,035</u>	<u>15,702</u>	<u>15,417</u>	<u>285</u>
Excess (deficiency) of revenues over (under) expenditures and encumbrances	<u>(13,499)</u>	<u>(12,481)</u>	<u>1,018</u>	<u>(1,248)</u>	<u>(857)</u>	<u>391</u>
Other financing sources (uses):						
Operating transfers in	29,498	29,498	—	—	—	—
Operating transfers out	<u>(13,367)</u>	<u>(13,367)</u>	—	<u>(779)</u>	<u>(779)</u>	—
	<u>16,131</u>	<u>16,131</u>	—	<u>(779)</u>	<u>(779)</u>	—
Excess (deficiency) of revenues and other sources over (under) expenditures, encumbrances and other uses	2,632	3,650	1,018	(2,027)	(1,636)	391
Fund balances at beginning of year	13,651	13,651	—	24,006	24,006	—
Amounts budgeted in prior years	—	140	140	—	(152)	(152)
Fund balances at end of year	<u>\$ 16,283</u>	<u>\$ 17,441</u>	<u>\$ 1,158</u>	<u>\$21,979</u>	<u>\$22,218</u>	<u>\$ 239</u>

(Continued)

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Combining Schedule of Revenues, Expenditures,
Encumbrances and Changes in Fund Balances—
Budget and Actual—Budget Basis—(Continued)

Year ended June 30, 1991

(In Thousands)

	Senior Citizens' Programs Fund			Candlestick Park Fund		
	Revised Budget	Actual	Variance- Favorable (Unfavorable)	Revised Budget	Actual	Variance- Favorable (Unfavorable)
Revenues:						
Property taxes	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Other local taxes	6,000	5,600	(400)	979	1,058	79
Grants and subventions	4,565	4,314	(251)	—	—	—
Licenses, fines and penalties	—	—	—	—	—	—
Interest and investment earnings	50	1	(49)	—	—	—
Charges for services	—	—	—	7,084	6,672	(412)
Other	—	—	—	—	327	327
Total revenues	<u>10,615</u>	<u>9,915</u>	<u>(700)</u>	<u>8,063</u>	<u>8,057</u>	<u>(6)</u>
Expenditures and encumbrances:						
Public protection	3	3	—	—	—	—
Public works, transportation and commerce	—	—	—	—	—	—
Human welfare and neighborhood development	11,432	11,432	—	—	—	—
Community health	—	—	—	—	—	—
Culture and recreation	—	—	—	6,845	6,321	524
General administration and finance	—	—	—	—	—	—
Total expenditures and encumbrances	<u>11,435</u>	<u>11,435</u>	<u>—</u>	<u>6,845</u>	<u>6,321</u>	<u>524</u>
Excess (deficiency) of revenues over (under) expenditures and encumbrances	<u>(820)</u>	<u>(1,520)</u>	<u>(700)</u>	<u>1,218</u>	<u>1,736</u>	<u>518</u>
Other financing sources (uses):						
Operating transfers in	116	116	—	3,152	3,152	—
Operating transfers out	<u>(384)</u>	<u>(384)</u>	<u>—</u>	<u>(4,645)</u>	<u>(4,645)</u>	<u>—</u>
	<u>(268)</u>	<u>(268)</u>	<u>—</u>	<u>(1,493)</u>	<u>(1,493)</u>	<u>—</u>
Excess (deficiency) of revenues and other sources over (under) expenditures, encumbrances and other uses	<u>(1,088)</u>	<u>(1,788)</u>	<u>(700)</u>	<u>(275)</u>	<u>243</u>	<u>518</u>
Fund balances at beginning of year	1,238	1,238	—	3,794	3,794	—
Amounts budgeted in prior years	—	(23)	(23)	—	86	86
Fund balances (deficit) at end of year	<u>\$ 150</u>	<u>\$ (573)</u>	<u>\$ (723)</u>	<u>\$ 3,519</u>	<u>\$ 4,123</u>	<u>\$ 604</u>

(Continued)

CITY AND COUNTY OF SAN FRANCISCO
SPECIAL REVENUE FUNDS
Combining Schedule of Revenues, Expenditures,
Encumbrances and Changes in Fund Balances—
Budget and Actual—Budget Basis—(Continued)

Year ended June 30, 1991

(In Thousands)

	Special Recreation and Park Revenue Fund			Building Inspection Fund		
	Revised Budget	Actual	Variance— Favorable (Unfavorable)	Revised Budget	Actual	Variance— Favorable (Unfavorable)
Revenues:						
Property taxes	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Other local taxes	—	—	—	—	—	—
Grants and subventions	—	107	107	—	259	259
Licenses, fines and penalties	—	1	1	3,100	2,457	(643)
Interest and investment earnings	—	7	7	240	393	153
Charges for services	16,014	14,661	(1,353)	14,709	12,854	(1,855)
Other	—	705	705	—	—	—
Total revenues	16,014	15,481	(533)	18,049	15,963	(2,086)
Expenditures and encumbrances:						
Public protection	—	—	—	—	—	—
Public works, transportation and commerce	—	—	—	18,866	16,393	2,473
Human welfare and neighborhood development	—	—	—	—	—	—
Community health	—	—	—	—	—	—
Culture and recreation	9,102	8,813	289	—	—	—
General administration and finance	—	—	—	—	—	—
Total expenditures and encumbrances	9,102	8,813	289	18,866	16,393	2,473
Excess (deficiency) of revenues over (under) expenditures and encumbrances	6,912	6,668	(244)	(817)	(430)	387
Other financing sources (uses):						
Operating transfers in	173	648	475	611	—	(611)
Operating transfers out	(6,868)	(6,868)	—	(125)	(125)	—
	(6,695)	(6,220)	475	486	(125)	(611)
Excess (deficiency) of revenues and other sources over (under) expenditures, encumbrances and other uses	217	448	231	(331)	(555)	(224)
Fund balances at beginning of year	922	922	—	3,277	3,277	—
Amounts budgeted in prior years	—	477	477	—	117	117
Fund balances at end of year	\$ 1,139	\$ 1,847	\$ 708	\$ 2,946	\$ 2,839	\$ (107)

(Continued)

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Combining Schedule of Revenues, Expenditures,
Encumbrances and Changes in Fund Balances—
Budget and Actual—Budget Basis—(Continued)

Year ended June 30, 1991

(In Thousands)

	Off-Street Parking Fund			Other Special Revenue Funds		
	Revised Budget	Actual	Variance- Favorable (Unfavorable)	Revised Budget	Actual	Variance- Favorable (Unfavorable)
Revenues:						
Property taxes	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Other local taxes	—	—	—	125	107	(18)
Grants and subventions	—	—	—	60	(59)	(119)
Licenses, fines and penalties	—	—	—	476	407	(69)
Interest and investment earnings	1,411	1,639	228	69	98	29
Charges for services	1,405	840	(565)	6,338	6,100	(238)
Other	—	—	—	225	204	(21)
Total revenues	<u>2,816</u>	<u>2,479</u>	<u>(337)</u>	<u>7,293</u>	<u>6,857</u>	<u>(436)</u>
Expenditures and encumbrances:						
Public protection	70	70	—	52	52	—
Public works, transportation and commerce	10,688	9,850	838	18	18	—
Human welfare and neighborhood development	—	—	—	1,570	1,470	100
Community health	—	—	—	32	32	—
Culture and recreation	66	66	—	8,264	7,779	485
General administration and finance	—	—	—	395	395	—
Total expenditures and encumbrances	<u>10,824</u>	<u>9,986</u>	<u>838</u>	<u>10,331</u>	<u>9,746</u>	<u>585</u>
Excess (deficiency) of revenues over (under) expenditures and encumbrances	<u>(8,008)</u>	<u>(7,507)</u>	<u>501</u>	<u>(3,038)</u>	<u>(2,889)</u>	<u>149</u>
Other financing sources (uses):						
Operating transfers in	5,810	5,810	—	5,059	5,059	—
Operating transfers out	<u>(318)</u>	<u>(318)</u>	<u>—</u>	<u>(2,318)</u>	<u>(2,251)</u>	<u>67</u>
	<u>5,492</u>	<u>5,492</u>	<u>—</u>	<u>2,741</u>	<u>2,808</u>	<u>67</u>
Excess (deficiency) of revenues and other sources over (under) expenditures, encumbrances and other uses	<u>(2,516)</u>	<u>(2,015)</u>	<u>501</u>	<u>(297)</u>	<u>(81)</u>	<u>216</u>
Fund balances at beginning of year	17,498	17,498	—	6,709	6,709	—
Amounts budgeted in prior years	—	60	60	—	29	29
Fund balances at end of year	<u>\$14,982</u>	<u>\$15,543</u>	<u>\$ 561</u>	<u>\$ 6,412</u>	<u>\$ 6,657</u>	<u>\$ 245</u>

(Continued)

CITY AND COUNTY OF SAN FRANCISCO
SPECIAL REVENUE FUNDS
Combining Schedule of Revenues, Expenditures,
Encumbrances and Changes in Fund Balances—
Budget and Actual—Budget Basis—(Continued)

Year ended June 30, 1991

(In Thousands)

	Total—Annually Budgeted Funds		
	Revised Budget	Actual	Variance— Favorable (Unfavorable)
Revenues:			
Property taxes	\$ 12,700	\$ 12,669	\$ (31)
Other local taxes	57,718	57,353	(365)
Grants and subventions	20,905	21,504	599
Licenses, fines and penalties	3,786	3,041	(745)
Interest and investment earnings	4,452	4,779	327
Charges for services	52,207	46,799	(5,408)
Other	225	1,326	1,101
Total revenues	<u>151,993</u>	<u>147,471</u>	<u>(4,522)</u>
Expenditures and encumbrances:			
Public protection	125	125	—
Public works, transportation and commerce	57,420	52,891	4,529
Human welfare and neighborhood development	13,002	12,902	100
Community health	32	32	—
Culture and recreation	56,577	52,959	3,618
General administration and finance	11,960	11,941	19
Total expenditures and encumbrances	<u>139,116</u>	<u>130,850</u>	<u>8,266</u>
Excess of revenues over expenditures and encumbrances	<u>12,877</u>	<u>16,621</u>	<u>3,744</u>
Other financing sources (uses):			
Operating transfers in	52,471	50,735	(1,736)
Operating transfers out	(71,785)	(71,428)	357
	<u>(19,314)</u>	<u>(20,693)</u>	<u>(1,379)</u>
Excess (deficiency) of revenues and other sources over (under) expenditures, encumbrances and other uses	<u>(6,437)</u>	<u>(4,072)</u>	<u>2,365</u>
Fund balances at beginning of year	84,140	84,140	—
Amounts budgeted in prior years	—	955	955
Fund balances at end of year	<u>\$ 77,703</u>	<u>\$ 81,023</u>	<u>\$ 3,320</u>

CITY AND COUNTY OF SAN FRANCISCO
SPECIAL REVENUE FUNDS

Schedule of Other Special Revenue Funds
Budget and Actual—Budget Basis

Year ended June 30, 1991

(In Thousands)

<u>Fund</u>	<u>Revenues</u>	<u>Expenditures and Encumbrances</u>	<u>Other Financing Sources (Uses)</u>	<u>Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses</u>
ANIMAL CONTROL AND WELFARE FUND				
Revised budget	\$ 165	\$ 20	\$(133)	\$ 12
Actual	148	20	(133)	(5)
Variance—favorable / (unfavorable)	(17)	—	—	(17)
CABLE TELEVISION ACCESS DEVELOPMENT FUND				
Revised budget	125	125	—	—
Actual	107	125	—	(18)
Variance—favorable / (unfavorable)	(18)	—	—	(18)
TAXICAB ENFORCEMENT FUND				
Revised budget	59	—	(59)	—
Actual	25	—	(59)	(34)
Variance—favorable / (unfavorable)	(34)	—	—	(34)
RENT ARBITRATION BOARD FUND				
Revised budget	1,320	1,410	—	(90)
Actual	1,312	1,310	—	2
Variance—favorable / (unfavorable)	(8)	100	—	92
REPRESENTATIVE PAYEE PROGRAM FUND				
Revised budget	307	—	(308)	(1)
Actual	325	—	(241)	84
Variance—favorable / (unfavorable)	18	—	67	85
MARINA YACHT HARBOR FUND				
Revised budget	1,301	1,181	52	172
Actual	1,205	1,026	52	231
Variance—favorable / (unfavorable)	(96)	155	—	59
WAR MEMORIAL SPECIAL FUND				
Revised budget	1,157	5,443	3,369	(917)
Actual	1,157	5,140	3,369	(614)
Variance—favorable / (unfavorable)	—	303	—	303
MUSEUMS ADMISSIONS FUND				
Revised budget	1,361	1,480	—	(119)
Actual	1,373	1,453	—	(80)
Variance—favorable / (unfavorable)	12	27	—	39
STREET ARTIST PROGRAM FUND				
Revised budget	121	153	—	(32)
Actual	134	153	—	(19)
Variance—favorable / (unfavorable)	13	—	—	13
MARKET STREET ART MAINTENANCE FUND				
Revised budget	50	—	—	50
Actual	58	—	—	58
Variance—favorable / (unfavorable)	8	—	—	8
YOUTH ARTS FUND				
Revised budget	(18)	25	—	(43)
Actual	7	25	—	(18)
Variance—favorable / (unfavorable)	25	—	—	25

(Continued)

CITY AND COUNTY OF SAN FRANCISCO
SPECIAL REVENUE FUNDS
Schedule of Other Special Revenue Funds
Budget and Actual—Budget Basis—(Continued)
Year ended June 30, 1991
(In Thousands)

Fund	Revenues	Expenditures and Encumbrances	Other Financing Sources (Uses)	Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses
SHERIFF'S SPECIAL MAINTENANCE FUND				
Revised budget	\$ 108	\$ —	\$ (68)	\$ 40
Actual	68	—	(68)	—
Variance—favorable/ (unfavorable)	(40)	—	—	(40)
DOMESTIC VIOLENCE PROGRAM FUND				
Revised budget	175	160	(14)	1
Actual	152	160	(14)	(22)
Variance—favorable/ (unfavorable)	(23)	—	—	(23)
AUTOMATED TRAFFIC WARRANT FUND				
Revised budget	88	—	(29)	59
Actual	59	—	(29)	30
Variance—favorable/ (unfavorable)	(29)	—	—	(29)
STATE AUTHORIZED SPECIAL REVENUE FUND				
Revised budget	974	334	(69)	571
Actual	727	334	(69)	324
Variance—favorable/ (unfavorable)	(247)	—	—	(247)
TOTAL OTHER SPECIAL REVENUE FUNDS				
Revised budget	7,293	10,331	2,741	(297)
Actual	6,857	9,746	2,808	(81)
Variance—favorable/ (unfavorable)	<u>\$(436)</u>	<u>\$ 585</u>	<u>\$ 67</u>	<u>\$ 216</u>

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Schedule of Expenditures and Encumbrances by Department
Budget and Actual—Budget Basis

Year ended June 30, 1991

(In Thousands)

	Revised Budget	Actual	Variance Favorable (Unfavorable)
HOTEL TAX FUND			
Culture and Recreation			
Art Commission	\$ 149	\$ 149	\$ —
General Administration and Finance			
Treasurer/Tax Collector	90	84	6
Chief Administrative Officer	8,077	8,064	13
	<u>8,167</u>	<u>8,148</u>	<u>19</u>
Total Hotel Tax Fund	<u>8,316</u>	<u>8,297</u>	<u>19</u>
GASOLINE TAX FUND			
Public Works, Transportation and Commerce			
Parking and Traffic Commission	7,483	6,395	1,088
Public Works	20,365	20,235	130
Total Gasoline Tax Fund	<u>27,848</u>	<u>26,630</u>	<u>1,218</u>
CONVENTION FACILITIES FUND			
Culture and Recreation			
Convention Facilities Management	16,449	14,414	2,035
General Administration and Finance			
Mayor	361	361	—
Chief Administrative Officer	3,037	3,037	—
	<u>3,398</u>	<u>3,398</u>	<u>—</u>
Total Convention Facilities Fund	<u>19,847</u>	<u>17,812</u>	<u>2,035</u>
OPEN SPACE AND PARK FUND			
Culture and Recreation			
Art Commission	22	22	—
Recreation and Park Commission	15,680	15,395	285
Total Open Space and Park Fund	<u>15,702</u>	<u>15,417</u>	<u>285</u>
SENIOR CITIZENS' PROGRAMS FUND			
Public Protection			
Police	3	3	—
Human Welfare and Neighborhood Development			
Commission on Aging	11,432	11,432	—
Total Senior Citizens' Programs Fund	<u>11,435</u>	<u>11,435</u>	<u>—</u>
CANDLESTICK PARK FUND			
Culture and Recreation			
Recreation and Park Commission	6,845	6,321	524
Total Candlestick Park Fund	<u>6,845</u>	<u>6,321</u>	<u>524</u>
SPECIAL RECREATION AND PARK REVENUE FUND			
Culture and Recreation			
Recreation and Park Commission	9,102	8,813	289
Total Special Recreation and Park Revenue Fund ...	<u>\$ 9,102</u>	<u>\$ 8,813</u>	<u>\$ 289</u>

(Continued)

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Schedule of Expenditures and Encumbrances by Department
Budget and Actual—Budget Basis—(Continued)

Year ended June 30, 1991

(In Thousands)

	Revised Budget	Actual	Variance Favorable (Unfavorable)
BUILDING INSPECTION FUND			
Public Works, Transportation and Commerce			
Public Works	\$ 18,866	\$ 16,393	\$2,473
Total Building Inspection Fund	<u>18,866</u>	<u>16,393</u>	<u>2,473</u>
OFF-STREET PARKING FUND			
Public Protection			
Police	70	70	—
Public Works, Transportation and Commerce			
Parking and Traffic Commission	10,688	9,850	838
Culture and Recreation			
Art Commission	66	66	—
Total Off-Street Parking Fund	<u>10,824</u>	<u>9,986</u>	<u>838</u>
OTHER SPECIAL REVENUE FUNDS			
Public Protection			
Sheriff	32	32	—
Animal Care and Control	20	20	—
	<u>52</u>	<u>52</u>	<u>—</u>
Public Works, Transportation and Commerce			
Public Works	18	18	—
Human Welfare and Neighborhood Development			
Commission on The Status of Women	160	160	—
Rent Arbitration Board	1,410	1,310	100
	<u>1,570</u>	<u>1,470</u>	<u>100</u>
Community Health			
Community Mental Health	32	32	—
Culture and Recreation			
Art Commission	178	178	—
Recreation and Park Commission	1,181	1,026	155
War Memorial	5,425	5,122	303
Fine Arts Museums	1,019	992	27
Asian Art Museum	461	461	—
	<u>8,264</u>	<u>7,779</u>	<u>485</u>
General Administration and Finance			
Board of Supervisors	125	125	—
Recorder	151	151	—
General City Responsibility	119	119	—
	<u>395</u>	<u>395</u>	<u>—</u>
Total Other Special Revenue Funds	<u>10,331</u>	<u>9,746</u>	<u>585</u>
Total Special Revenue Funds	\$139,116	\$130,850	\$8,266

CITY AND COUNTY OF SAN FRANCISCO
SPECIAL REVENUE FUNDS
Schedule of Budget Appropriation Changes
Year ended June 30, 1991
(In Thousands)

	<u>Original Budget</u>	<u>Supplemental Appropriations</u>	<u>Carryforward Appropriations</u>		<u>Revised Budget</u>
			<u>Beginning</u>	<u>Ending</u>	
Revenues:					
Property taxes	\$ 12,700	\$ —	\$ —	\$ —	\$ 12,700
Other local taxes	56,437	1,281	—	—	57,718
Grants and subventions	20,656	249	—	—	20,905
Licenses, fines and penalties	3,592	194	—	—	3,786
Interests and investment earnings	4,370	82	—	—	4,452
Charges for services	50,862	1,345	—	—	52,207
Other	175	50	—	—	225
Total revenues	<u>148,792</u>	<u>3,201</u>	<u>—</u>	<u>—</u>	<u>151,993</u>
Expenditures and encumbrances:					
Public protection	31	(184)	81	(197)	125
Public works, transportation and commerce....	52,815	2,000	13,931	11,326	57,420
Human welfare and neighborhood development	13,338	(661)	633	308	13,002
Community health	—	135	171	274	32
Culture and recreation	60,971	(5,003)	22,074	21,465	56,577
General administration and finance	9,271	5,150	10,350	12,811	11,960
Total expenditures and encumbrances ..	<u>136,426</u>	<u>1,437</u>	<u>47,240</u>	<u>45,987</u>	<u>139,116</u>
Excess (deficiency) of revenues over (under) expenditures and encumbrances	<u>12,366</u>	<u>1,764</u>	<u>(47,240)</u>	<u>(45,987)</u>	<u>12,877</u>
Other financing sources (uses):					
Operating transfers in	50,160	2,439	—	128	52,471
Operating transfers out	(61,358)	(10,090)	(4,801)	(4,464)	(71,785)
	<u>(11,198)</u>	<u>(7,651)</u>	<u>(4,801)</u>	<u>(4,336)</u>	<u>(19,314)</u>
Excess (deficiency) of revenues and other sources over (under) expenditures, encumbrances and other uses	1,168	(5,887)	(52,041)	(50,323)	(6,437)
Fund balances at beginning of year	<u>84,140</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>84,140</u>
Fund balances at end of year	<u>\$ 85,308</u>	<u>\$ (5,887)</u>	<u>\$(52,041)</u>	<u>\$(50,323)</u>	<u>\$ 77,703</u>

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CITY AND COUNTY OF SAN FRANCISCO

DEBT SERVICE FUNDS

The Debt Service Funds account for the accumulation of property taxes and other revenue for periodic payment of interest and principal of general obligation and certain lease revenue bonds and related authorized costs. Four major funds are separately identified representing 68.4% of the combined expenditures of the Debt Service Funds. The remaining 31.6% consists of six minor funds. Operations of that fund grouping are shown in a separate schedule.

General Obligation Bonds Fund—Accounts for property taxes and other revenue for periodic payment of interest and principal of general obligation bonds and related costs. Provisions are made in the general property tax levy for monies sufficient to meet these requirements in accordance with Article XIII A of the State Constitution (Proposition 13).

Moscone Center Lease Revenue Bonds Fund—Accounts for transfers of hotel tax revenue from the Convention Facilities Fund which provide for periodic payments of interest and principal and bond reserve requirements.

Redevelopment Financing Authority Fund—Accounts for financing activities of a joint powers authority formed between the Redevelopment Agency and the City to facilitate the long-term financing of Redevelopment Agency activities. All bond proceeds are loaned to the Redevelopment Agency, and the Authority uses loan payments to service its debt.

Finance Corporation Lease Revenue Bonds Fund—Accounts for financing activities of a nonprofit public benefit corporation organized for the purpose of providing financial assistance to the City by acquiring, improving and installing certain real and personal property for the use, benefit and enjoyment of the public.

Other Bonds Fund—Accounts for funds and debt service of three nonprofit corporations (Civic Plaza Parking Garage, Social Services Corporation, and San Francisco Stadium, Inc.), the Hunters Point/South School, the Yerba Buena Center and the Moscone Center Parking Garage. As a group they represent 31.6% of current year's combined expenditures of the Debt Service Funds. The largest fund's expenditures in this group represent 25.8% of the total.

CITY AND COUNTY OF SAN FRANCISCO
DEBT SERVICE FUNDS
Combining Balance Sheet
June 30, 1991
With comparative totals as of June 30, 1990
(In Thousands)

ASSETS

	General Obligation Bonds Fund	Moscone Center Lease Revenue Bonds Fund	Redevelopment Financing Authority Fund	Finance Corporation Lease Revenue Bonds Fund	Other Bonds Fund	Total	
						1991	1990
Deposits and investments	\$4,410	\$ —	\$ —	\$ —	\$ —	\$ 4,410	\$ 1,924
Investments with trustee	—	8,992	4,404	762	5,181	19,339	38,229
Receivables (net of allowance for uncollectible amounts of \$437 in 1991):							
Property taxes and penalties	3,304	—	—	—	—	3,304	3,012
Interest and other	—	3	—	—	48	51	428
Due from other funds	92	1,782	—	—	—	1,874	81
Total assets	<u>\$7,806</u>	<u>\$10,777</u>	<u>\$4,404</u>	<u>\$762</u>	<u>\$5,229</u>	<u>\$28,978</u>	<u>\$43,674</u>

LIABILITIES

Accounts payable	\$ 2	\$ 165	\$ 138	\$ 5	\$ —	\$ 310	\$ 3,329
Due to other funds	91	—	—	—	—	91	—
Deferred credits and other liabilities	3,440	—	—	—	148	3,588	—
	<u>3,533</u>	<u>165</u>	<u>138</u>	<u>5</u>	<u>148</u>	<u>3,989</u>	<u>3,329</u>

FUND EQUITY

Fund balances—reserved for debt service	4,273	10,612	4,266	757	5,081	24,989	40,345
Total liabilities and fund equity	<u>\$7,806</u>	<u>\$10,777</u>	<u>\$4,404</u>	<u>\$762</u>	<u>\$5,229</u>	<u>\$28,978</u>	<u>\$43,674</u>

CITY AND COUNTY OF SAN FRANCISCO

DEBT SERVICE FUNDS

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances

Year ended June 30, 1991

With comparative totals for the year ended June 30, 1990

(In Thousands)

	General Obligation Bonds Fund	Moscone Center Lease Revenue Bonds Fund	Redevelopment Financing Authority Fund	Finance Corporation Lease Revenue Bonds Fund	Other Bonds Fund	Total	
						1991	1990
Revenues:							
Property taxes	\$29,773	\$ —	\$ —	\$ —	\$ —	\$29,773	\$25,132
Grants and subventions	433	—	—	—	—	433	366
Interest and investment earnings	—	2,044	38	15	427	2,524	3,886
Charges for services	—	—	—	—	953	953	965
Other	—	—	—	—	2,809	2,809	3,516
Total revenues	<u>30,206</u>	<u>2,044</u>	<u>38</u>	<u>15</u>	<u>4,189</u>	<u>36,492</u>	<u>33,865</u>
Expenditures:							
Debt service:							
Principal retirement	8,970	10,830	855	—	18,705	39,360	24,250
Interest and fiscal charges	11,761	12,382	2,369	—	3,111	29,623	27,155
Total expenditures	<u>20,731</u>	<u>23,212</u>	<u>3,224</u>	<u>—</u>	<u>21,816</u>	<u>68,983</u>	<u>51,405</u>
Excess (deficiency) of revenues over (under) expenditures	<u>9,475</u>	<u>(21,168)</u>	<u>(3,186)</u>	<u>15</u>	<u>(17,627)</u>	<u>(32,491)</u>	<u>(17,540)</u>
Other financing sources (uses):							
Operating transfers in	—	9,661	7,452	—	1,250	18,363	12,037
Operating transfers out	(7,038)	(7,411)	(22,996)	—	(2)	(37,447)	(51,701)
Proceeds from issuance of bonds	—	60,540	22,996	742	16,785	101,063	39,199
Payment to refunded bond escrow agent	—	(64,844)	—	—	—	(64,844)	—
	<u>(7,038)</u>	<u>(2,054)</u>	<u>7,452</u>	<u>742</u>	<u>18,033</u>	<u>17,135</u>	<u>(465)</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	<u>2,437</u>	<u>(23,222)</u>	<u>4,266</u>	<u>757</u>	<u>406</u>	<u>(15,356)</u>	<u>(18,005)</u>
Fund balances at beginning of year	<u>1,836</u>	<u>33,834</u>	<u>—</u>	<u>—</u>	<u>4,675</u>	<u>40,345</u>	<u>58,350</u>
Fund balances at end of year	<u>\$ 4,273</u>	<u>\$10,612</u>	<u>\$ 4,266</u>	<u>\$757</u>	<u>\$ 5,081</u>	<u>\$24,989</u>	<u>\$40,345</u>

CITY AND COUNTY OF SAN FRANCISCO

DEBT SERVICE FUNDS

Schedule of Revenues, Expenditures and Other Financing Sources—
Individual Fund Grouping

Year ended June 30, 1991

(In Thousands)

<u>Fund</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Other Financing Sources</u>	<u>Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures</u>
Other Bonds:				
Hunters Point/South School	\$ 25	\$ 275	\$ 258	\$ 8
Moscone Parking Garage	1,070	968	—	102
Social Services Corporation	1,031	906	—	125
San Francisco Stadium	2,063	1,880	—	183
Civic Plaza Parking Garage	—	12	—	(12)
Yerba Buena Center Liquidity Revenue Bonds	—	17,775	17,775	—
	<u>\$4,189</u>	<u>\$21,816</u>	<u>\$18,033</u>	<u>\$406</u>

CITY AND COUNTY OF SAN FRANCISCO

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for financial resources to be used for the acquisition of land or acquisition and construction of major facilities other than those financed in the proprietary fund types. Five major funds are separately identified representing 95.1% of the combined expenditures of the Capital Projects Funds. The remaining 4.9% consists of nine minor funds. Operations of those funds are shown in a separate schedule.

Redevelopment Agency Fund—Accounts for property tax allocations, investment income, land sales, rents and other revenues relating to all redevelopment projects. Expenditures are for land acquisition and improvements and for other costs inherent to redevelopment activities.

Street Improvement Fund—Accounts for gas tax subventions, bond fund proceeds and other revenues which are designated for general street improvements. Expenditures for land acquisition and construction of designated improvements are made in accordance with applicable state codes, City charter provisions and bond requirements.

City Facility Improvement Fund—Accounts for bond proceeds, capital lease financing and transfers from other funds which are designated for various buildings and general improvements. Expenditures for acquisition and construction of public buildings and improvements are made in accordance with bond requirements and appropriation ordinances.

Recreation and Park Projects Fund—Accounts for bond proceeds, Federal and state grants, gifts and transfers from other funds which are designated for various recreation and park additions and development. Expenditures for acquisition and construction of recreation and park facilities are made in accordance with bond requirements and appropriation ordinances.

Moscone Convention Center Fund—Accounts for proceeds from Moscone Convention Center Lease Revenue Bonds and transfers from the General Fund and Convention Facilities Special Revenue Fund. Expenditures are for construction of the George R. Moscone Convention Center and for related administrative costs.

Other Capital Projects Funds—Accounts for the various revenues and capital expenditures of ten capital improvement funds, which include 4.9% of current year's combined expenditures of the Capital Projects Funds. The largest fund's expenditures in this group represent 3.1% of the total.

CITY AND COUNTY OF SAN FRANCISCO
CAPITAL PROJECTS FUNDS

Combining Balance Sheet
June 30, 1991
With comparative totals for June 30, 1990
(In Thousands)

ASSETS

	Redevelopment Agency Fund	Street Improvement Fund	City Facility Improvement Fund	Recreation and Park Projects Fund	Moscone Convention Center Fund	Other Capital Projects Funds	Total	
							1991	1990
Deposits and investments	\$ 72,910	\$ 6,820	\$188,206	\$17,182	\$ —	\$ 2,159	\$287,277	\$175,187
Investments with trustee	—	34	12	—	—	2,028	2,074	638
Receivables:								
Federal and state grants and								
subventions	—	2,342	1,467	—	—	—	3,809	3,840
Interest and other	1,716	59	202	8	—	14	1,999	1,548
Due from other funds	1,630	8,152	3,265	506	53,472	1,517	68,542	126,839
Loans receivable	15,201	255	—	—	—	—	15,456	10,050
Property held for resale and/or lease	93,936	—	—	—	—	—	93,936	104,540
Total assets	<u>\$185,393</u>	<u>\$17,662</u>	<u>\$193,152</u>	<u>\$17,696</u>	<u>\$ 53,472</u>	<u>\$ 5,718</u>	<u>\$473,093</u>	<u>\$422,642</u>

LIABILITIES

Accounts payable	\$ 1,752	\$ 1,957	\$ 3,917	\$ 627	\$ 6,228	\$ 180	\$ 14,661	\$ 21,933
Accrued vacation and sick leave pay	354	—	19	—	—	30	403	380
Deferred grant revenue	—	262	—	—	—	—	262	—
Due to other funds	—	1,361	—	481	—	56	1,898	18,187
Deferred credits and other								
liabilities	34,706	1,667	3,189	563	—	381	40,506	11,452
Total liabilities	<u>36,812</u>	<u>5,247</u>	<u>7,125</u>	<u>1,671</u>	<u>6,228</u>	<u>647</u>	<u>57,730</u>	<u>51,952</u>

FUND EQUITY

Fund balances:								
Reserved for property held for								
resale and/or lease	93,936	—	—	—	—	—	93,936	104,540
Reserved for encumbrances	—	11,483	50,804	488	—	859	63,634	29,149
Reserved for appropriation								
carryforward	—	—	92,190	14,430	—	2,760	109,380	60,360
Unreserved—undesignated	54,645	932	43,033	1,107	47,244	1,452	148,413	176,641
Total fund equity	<u>148,581</u>	<u>12,415</u>	<u>186,027</u>	<u>16,025</u>	<u>47,244</u>	<u>5,071</u>	<u>415,363</u>	<u>370,690</u>
Total liabilities and fund								
equity	<u>\$185,393</u>	<u>\$17,662</u>	<u>\$193,152</u>	<u>\$17,696</u>	<u>\$ 53,472</u>	<u>\$ 5,718</u>	<u>\$473,093</u>	<u>\$422,642</u>

CITY AND COUNTY OF SAN FRANCISCO

CAPITAL PROJECTS FUNDS

Combining Statement of Revenues,
Expenditures and Changes in Fund Balances

Year ended June 30, 1991

With comparative totals for the year ended June 30, 1990

(In Thousands)

	Redevelop- ment Agency Fund	Street Improve- ment Fund	City Facility Improve- ment Fund	Recreation and Park Projects Fund	Moscone Convention Center Fund	Other Capital Projects Fund	Total	
							1991	1990
Revenues:								
Property taxes	\$ 3,413	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 3,413	\$ 2,136
Grants and subventions	—	1,909	2,854	103	—	—	4,866	4,665
Interest and investment earnings	5,092	827	2,724	637	8,981	96	18,357	17,241
Land sales proceeds	849	—	—	—	—	—	849	571
Other	16,239	—	—	—	—	—	16,239	6,005
Total revenues	<u>25,593</u>	<u>2,736</u>	<u>5,578</u>	<u>740</u>	<u>8,981</u>	<u>96</u>	<u>43,724</u>	<u>30,618</u>
Expenditures:								
Capital outlay	36,408	17,612	44,695	11,784	73,257	9,541	193,297	144,489
Total expenditures	<u>36,408</u>	<u>17,612</u>	<u>44,695</u>	<u>11,784</u>	<u>73,257</u>	<u>9,541</u>	<u>193,297</u>	<u>144,489</u>
Excess (deficiency) of revenues over (under) expenditures	(10,815)	(14,876)	(39,117)	(11,044)	(64,276)	(9,445)	(149,573)	(113,871)
Other financing sources (uses):								
Operating transfers in	22,996	9,552	12,164	4,799	21,391	4,544	75,446	85,852
Operating transfers out	(10,433)	—	—	—	(41)	—	(10,474)	(2,278)
Proceeds from issuance of bonds, net ..	—	—	182,600	6,000	—	6,278	194,878	27,500
Transfer of bond proceeds to School and College District Agency Fund	—	—	(55,000)	—	—	—	(55,000)	—
	<u>12,563</u>	<u>9,552</u>	<u>139,764</u>	<u>10,799</u>	<u>21,350</u>	<u>10,822</u>	<u>204,850</u>	<u>111,074</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	1,748	(5,324)	100,647	(245)	(42,926)	1,377	55,277	(2,797)
Fund balances at beginning of year	157,437	17,739	85,380	16,270	90,170	3,694	370,690	360,713
Residual equity transfer	—	—	—	—	—	—	—	2,794
Net change in reserve for assets not available for appropriation	(10,604)	—	—	—	—	—	(10,604)	9,980
Fund balances at end of year	<u>\$148,581</u>	<u>\$ 12,415</u>	<u>\$186,027</u>	<u>\$ 16,025</u>	<u>\$ 47,244</u>	<u>\$ 5,071</u>	<u>\$415,363</u>	<u>\$370,690</u>

CITY AND COUNTY OF SAN FRANCISCO

CAPITAL PROJECTS FUNDS

Schedule of Revenues, Expenditures and Other Financing Sources—

Individual Fund Grouping

Year ended June 30, 1991

(In Thousands)

Fund	Revenues	Expenditures	Other Financing Sources (Uses)	Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses
Other Capital Projects:				
1973 School Building Improvement	\$15	\$ —	\$ —	\$ 15
Parking Authority Project	—	254	311	57
Community College Project	—	43	43	—
Community Development Project (BOE)	—	11	1	(10)
Ocean Beach Seawall	—	1,074	307	(767)
Environmental Development Agency Projects	—	1,550	3,140	1,590
Open Space Development	—	685	(55)	(740)
Hunters Point School	20	1	2	21
San Francisco Finance Corporation	61	5,923	7,073	1,211
	<u>\$96</u>	<u>\$9,541</u>	<u>\$10,822</u>	<u>\$1,377</u>

CITY AND COUNTY OF SAN FRANCISCO

ENTERPRISE FUNDS

Enterprise Funds account for operations and activities which render services on a user charge basis to the general public. The various Enterprise Funds are:

San Francisco International Airport—This Enterprise Fund was authorized and established by City Charter Sections 3.690 to 3.694. An Airport Commission was created with powers and duties in the management and control of San Francisco International Airport.

Port of San Francisco—In 1968, the City voters approved a proposition to accept the transfer of the Harbor of San Francisco from the State of California under the terms and conditions set forth in California Statutes of 1968, Chapter 1333. A Port of San Francisco Enterprise Fund was established in 1969, under the direction of a Port Commission.

Water Department/Hetch Hetchy Project and Municipal Railway—City Charter Sections 3.590 to 3.599 provide that a Public Utilities Commission be created and have responsibility for the construction, operation and control of all public utilities, excepting airports. The Public Utilities Commission appoints a general manager of utilities who has full power to administer the Water Department/Hetch Hetchy Project and Municipal Railway Enterprise Funds established by the Commission. The Municipal Railway financial operations include the activities of the San Francisco Municipal Railway Improvement Corporation, a nonprofit corporation organized to acquire and finance improvements to the City's public transportation system.

Laguna Honda Hospital—This Enterprise Fund was established by the Controller at the request of hospital management. Full enterprise operations began July 1, 1983 after having been previously included in the General Fund. Accounting and reporting systems are in compliance with the Hospital Disclosure Act, Health and Safety Code Sections 440-442.10.

General Hospital Medical Center—This Enterprise Fund was established on July 1, 1980, pursuant to the Board of Supervisor's Resolution No. 865-81. The accounting and reporting system for San Francisco General Hospital Medical Center is in accordance with Government Code Section 25261 and the Hospital Disclosure Act, Health and Safety Code Sections 440-442.10.

Clean Water Program—This Enterprise Fund was created after voters approved a proposition in 1976, authorizing the City to issue \$240 million in bonds for the purpose of acquiring, constructing, improving and financing improvements to the City municipal sewage treatment and disposal system. Board of Supervisors Resolution No. 973-77 required the Controller to keep separate records and accounts of the enterprise beginning July 1, 1977.

Parking Garages/Other—Various nonprofit corporations and funds have been formed for the purpose of providing financial and other assistance to the City or Redevelopment Agency in the acquisition of land, construction of facilities, and management of various projects, as follows:

1. Downtown Parking Corporation
2. Uptown Parking Corporation
3. Western Addition Parking Corporation
4. Ellis-O'Farrell Parking Corporation
5. Portsmouth Plaza Parking Corporation
6. City of San Francisco Market Corporation
7. South Beach Harbor Enterprise Fund

CITY AND COUNTY OF SAN FRANCISCO
ENTERPRISE FUNDS
Combining Balance Sheet

June 30, 1991
With comparative totals for June 30, 1990

(In Thousands)

ASSETS

	San Francisco International Airport	Port of San Francisco	Water Dept./ Hetch Hetchy Project	Municipal Railway	Laguna Honda Hospital	General Hospital Medical Center	Clean Water Program	Parking Garages/ Other	Total	
									1991	1990
Deposits and investments	\$195,392	\$ 20,343	\$ 66,756	\$ 29,955	\$ 74	\$ 25,465	\$ 10,567	\$ 6,391	\$ 354,943	\$ 346,005
Investments with trustee	—	—	—	—	—	—	—	12,639	12,639	12,267
Receivables (net of allowance for uncollectible amounts of \$11,313 in 1991):										
Federal and state grants and subventions	78	288	275	44,258	4	2,204	—	—	47,107	29,755
Charges for services	9,603	2,661	18,435	—	13,338	48,078	15,600	224	108,939	88,507
Interest and other	5,991	3,659	1,779	1,757	—	646	3,766	36	17,634	20,096
Due from other funds	—	847	674	909	1,075	10,141	366	—	14,012	19,008
Inventories	330	1,375	3,740	17,212	1,416	3,684	—	—	27,757	28,259
Restricted assets:										
Deposits and investments	133,435	13,891	116,997	69,766	2,352	4,358	172,177	34	513,010	498,975
Investments with trustee	50,978	11,367	7,579	30,618	—	—	43,690	5,142	149,374	141,646
Grants and other receivables	5,439	—	4,888	10,675	228	89	10,653	—	31,972	34,484
Fixed assets (net of accumulated depreciation)	535,389	189,543	560,465	419,622	12,457	43,339	1,001,272	58,421	2,820,508	2,694,158
Deferred charges and other assets	1,658	1,474	78	—	263	35	2,174	242	5,924	6,570
Total assets	<u>\$938,293</u>	<u>\$245,448</u>	<u>\$781,666</u>	<u>\$624,772</u>	<u>\$31,207</u>	<u>\$139,039</u>	<u>\$1,260,265</u>	<u>\$83,129</u>	<u>\$4,103,819</u>	<u>\$3,919,730</u>

LIABILITIES

Accounts payable	\$ 3,759	\$ 1,456	\$ 12,339	\$ 11,090	\$ 1,937	\$ 7,339	\$ 10,976	\$ 1,161	\$ 50,057	\$ 50,061
Accrued payroll	4,010	1,107	2,989	11,433	4,448	8,586	—	129	32,702	30,557
Accrued vacation and sick leave pay	4,956	1,188	6,070	15,237	4,659	9,160	2,539	3	43,812	42,725
Accrued workers' compensation	4,394	554	2,667	17,964	2,410	5,800	663	—	34,452	32,477
Estimated claims payable	—	325	5,623	12,121	—	—	39	—	18,108	17,632
Due to other funds	5,337	1,744	4,271	43,176	9,546	4,148	6,899	3,783	78,904	46,648
Deferred credits and other liabilities	22,529	3,042	2,269	3,503	327	404	4,172	4,045	40,291	44,242
Bond interest payable	6,386	175	92	332	—	—	8,786	2,814	18,585	19,504
Bonds, loans and capital leases payable	482,617	74,898	188,022	12,476	1,478	73,215	402,700	32,353	1,267,759	1,175,649
Liabilities payable from restricted assets	7,518	4,292	2,718	4,228	2,580	4,439	11,533	55	37,363	27,274
Total liabilities	<u>\$41,506</u>	<u>\$8,781</u>	<u>\$27,060</u>	<u>\$31,560</u>	<u>\$7,385</u>	<u>\$13,091</u>	<u>\$48,307</u>	<u>\$4,343</u>	<u>\$1,622,033</u>	<u>\$1,486,769</u>

FUND EQUITY

Contributed capital, net	108,122	75,357	47,542	342,737	8,448	56,741	672,259	—	1,311,206	1,274,593
Retained earnings (unincorporated) deficit	288,665	81,310	507,064	150,475	(4,626)	(30,793)	139,699	38,786	1,170,580	1,158,368
Total fund equity	<u>396,787</u>	<u>156,667</u>	<u>554,606</u>	<u>493,212</u>	<u>3,822</u>	<u>25,948</u>	<u>811,958</u>	<u>38,786</u>	<u>2,481,786</u>	<u>2,432,961</u>
Total liabilities and fund equity	<u>\$938,293</u>	<u>\$245,448</u>	<u>\$781,666</u>	<u>\$624,772</u>	<u>\$31,207</u>	<u>\$139,039</u>	<u>\$1,260,265</u>	<u>\$83,129</u>	<u>\$4,103,819</u>	<u>\$3,919,730</u>

CITY AND COUNTY OF SAN FRANCISCO

ENTERPRISE FUNDS

Combining Statement of Revenues, Expenses
and Changes in Retained Earnings

Year ended June 30, 1991

With comparative totals for the year ended June 30, 1990

(In Thousands)

	San Francisco International Airport	Port of San Francisco	Water Dept./ Hetch Hetchy Project	Municipal Railway	Laguna Honda Hospital	General Hospital Medical Center	Clean Water Program	Parking Garages/ Other	Total	
									1991	1990
Operating revenues:										
Charges for services	\$ 59,353	\$ 6,983	\$136,956	\$ 79,846	\$75,246	\$123,201	\$ 72,729	\$13,473	\$ 567,787	\$ 521,176
Rent and concessions	98,089	24,898	3,883	—	—	—	—	2,602	129,472	112,478
Other	—	1,243	2,021	2,456	223	832	—	440	7,215	7,008
Total operating revenues	157,442	33,124	142,860	82,302	75,469	124,033	72,729	16,515	704,474	640,662
Operating expenses:										
Personal services	46,883	13,907	37,077	203,084	75,995	148,643	29,882	4,238	559,709	508,801
Contractual services	19,284	2,169	26,415	7,330	2,789	37,606	7,178	1,549	104,320	93,057
Light, heat and power	7,655	1,776	28,668	3,346	—	2,058	4,423	784	48,710	35,928
Materials and supplies	3,262	1,288	5,157	16,723	6,354	26,440	5,977	312	65,513	60,083
Depreciation	27,927	5,114	18,102	20,586	1,162	4,234	23,529	621	101,275	91,243
Services provided by other departments	8,912	2,831	12,855	23,894	3,271	10,697	7,195	—	69,655	63,163
Other	6,800	4,266	7,827	10,454	—	4,204	1,853	3,177	38,581	34,773
Total operating expenses	120,723	31,351	136,101	285,417	89,571	233,882	80,037	10,681	987,763	887,048
Operating income (loss)	36,719	1,773	6,759	(203,115)	(14,102)	(109,849)	(7,308)	5,834	(283,289)	(246,386)
Nonoperating revenues (expenses):										
Operating grants:										
Federal	—	—	—	7,818	—	—	—	—	7,818	7,974
State/Other	—	—	—	50,441	613	33,574	—	—	84,628	72,642
Interest income	23,827	2,329	6,357	2,786	—	1,769	9,081	1,456	47,605	68,789
Interest expense	(33,162)	(4,479)	(681)	(882)	—	(3,465)	(20,919)	(2,250)	(65,838)	(84,311)
Other, net	(1,507)	(3,113)	(2,604)	13,118	—	717	(1,345)	122	5,388	343
	(10,842)	(5,263)	3,072	73,281	613	32,595	(13,183)	(672)	79,601	65,437
Income (loss) before operating transfers	25,877	(3,490)	9,831	(129,834)	(13,489)	(77,254)	(20,491)	5,162	(203,688)	(180,949)
Operating transfers in	—	—	2,424	122,062	13,464	73,834	4,614	1,990	218,388	200,258
Operating transfers out	(14,086)	—	(17,424)	—	—	(1,594)	—	(3,038)	(36,142)	(32,160)
	(14,086)	—	(15,000)	122,062	13,464	72,240	4,614	(1,048)	182,246	168,098
Net income (loss)	11,791	(3,490)	(5,169)	(7,772)	(25)	(5,014)	(15,877)	4,114	(21,442)	(12,851)
Depreciation on fixed assets purchased with externally restricted sources that reduces contributed capital	—	—	1,181	18,185	—	—	14,288	—	33,654	30,533
Retained earnings (deficit) at beginning of year	276,874	84,800	511,052	140,062	(4,601)	(25,779)	141,288	34,672	1,158,368	1,140,686
Retained earnings (deficit) at end of year	\$288,665	\$81,310	\$507,064	\$150,475	(4,626)	\$(30,793)	\$139,699	\$38,786	\$1,170,580	\$1,158,368

CITY AND COUNTY OF SAN FRANCISCO

ENTERPRISE FUNDS

Combining Statement of Cash Flows

Year ended June 30, 1991

With comparative totals for the year ended June 30, 1990

(In Thousands)

	San Francisco International Airport	Port of San Francisco	Water Dept./ Hetch Hetchy Project	Municipal Railway	Laguna Honda Hospital	General Hospital Medical Center	Clean Water Program	Parking Garages/ Other	Total	
									1991	1990
Cash flows from operating activities:										
Operating income (loss)	\$ 36,719	\$ 1,773	\$ 6,759	\$(203,115)	\$(14,102)	\$(109,849)	\$(7,308)	\$ 5,834	\$(283,289)	\$(246,386)
Adjustments for noncash activities:										
Depreciation	27,927	5,114	18,102	20,586	1,162	4,234	23,529	621	101,275	91,242
Provision for uncollectibles	309	203	—	—	1,481	19,213	(928)	—	20,278	34,172
Other	50	—	—	—	—	—	—	—	50	42
Changes in assets/liabilities:										
Receivables (net)	(405)	(664)	(4,465)	1,061	(1,108)	(30,239)	(4,106)	47	(39,879)	(42,187)
Due from other funds	—	98	(84)	(757)	(987)	4,505	—	—	2,775	(8,065)
Inventories	(24)	43	845	(318)	(131)	85	745	—	1,245	(2,132)
Deferred charges and other assets	287	(27)	(69)	—	(758)	(1,473)	—	(48)	(2,088)	(734)
Accounts payable	431	467	5,469	(2,972)	(105)	3,078	(1,259)	(467)	(1,494)	5,530
Accrued payroll	1,083	15	303	950	579	1,413	681	5	5,029	7,052
Due to other funds	1,060	550	593	28,658	325	2,331	(3,246)	1,412	31,683	9,440
Deferred credits and other liabilities	(2,591)	342	1,302	(508)	—	(147)	—	351	(1,251)	(19,644)
Net cash provided (used) by operating activities	64,846	7,934	28,755	(156,415)	(13,644)	(113,005)	8,108	7,755	(165,666)	(171,669)
Cash flows from noncapital financing activities:										
Operating grants received	—	—	—	51,779	614	26,980	—	—	79,373	74,964
Net operating transfers in (out)	(13,074)	—	(15,000)	122,062	13,464	72,240	—	(1,048)	178,644	161,163
Net increase (decrease) in noncapital borrowing	—	—	—	—	—	6,622	—	—	6,622	(2,496)
Other noncapital increase (decrease)	(621)	(3,335)	(2,620)	9,862	—	3,846	—	—	7,132	11,068
Net cash provided (used) by noncapital financing activities	(13,695)	(3,335)	(17,620)	183,703	14,078	109,688	—	(1,048)	271,771	244,699
Cash flows from capital financing activities:										
Capital grants	605	2,548	—	35,574	—	433	22,629	—	61,789	57,411
Bond sale proceeds	—	—	66,542	—	—	—	—	—	66,542	91,565
State loan proceeds	—	—	—	—	—	—	47,711	—	47,711	—
Proceeds from sale of fixed assets	2	2	34	20	—	—	—	—	58	1,307
Transfers from other funds for debt service	—	—	—	—	—	4,614	—	—	4,614	6,097
Acquisition of fixed assets	(26,653)	(3,313)	(42,009)	(51,250)	(549)	(3,511)	(86,457)	(2,876)	(216,618)	(187,936)
Retirement of capital lease obligations	(216)	—	(131)	(213)	(159)	(1,313)	—	—	(2,032)	1,668
Retirement of general obligation bonds	(2,735)	(2,260)	(1,740)	(2,135)	—	—	(2,925)	—	(11,795)	(16,198)
Retirement of revenue bonds	(8,550)	(1,065)	—	—	—	(5,671)	(4,790)	—	(20,076)	(13,835)
Interest paid on long term debt	(40,626)	(6,089)	(7,604)	(550)	—	(25,776)	(2,234)	—	(82,879)	(76,807)
Other capital financing activities	17,788	1,233	—	—	—	—	599	—	19,620	6,007
Net cash provided (used) by capital financing activities	(60,385)	(8,944)	15,092	(18,554)	(708)	(4,391)	(45,875)	(9,301)	(133,066)	(134,057)
Cash flows from investing activities:										
Net decrease (increase) in investments with trustees—restricted and unrestricted	—	894	1,866	(854)	—	—	(7,309)	912	(4,491)	33,987
Net decrease (increase) in restricted deposits and investments	7,275	—	(48,699)	333	341	1,935	26,041	(1)	(12,775)	(66,775)
Interest income received	13,207	2,393	13,247	2,871	—	1,769	18,100	1,456	53,043	60,546
Other net	—	—	—	—	—	—	—	122	122	149
Net cash provided (used) for investing activities	20,482	3,287	(33,586)	2,350	341	3,704	36,832	2,489	35,899	27,907
Net increase (decrease) in cash and cash equivalents	11,248	(1,058)	(7,359)	11,084	67	(4,004)	(935)	(105)	8,938	(33,120)
Cash and cash equivalents—beginning of year	184,144	21,401	74,115	18,871	7	29,469	11,502	6,496	346,005	379,125
Cash and cash equivalents—end of year	\$195,392	\$20,343	\$66,756	\$29,955	\$74	\$25,465	\$10,567	\$6,391	\$354,943	\$346,005
Noncash investing, capital and financing activities:										
Equipment leases	\$ 427	\$ —	\$ 185	\$ —	\$ —	\$ 2,132	\$ —	\$ —	\$ 2,744	\$ 547
Accretion of interest on long term debt	—	—	1,305	—	—	—	—	—	1,305	2,712
Amortization of bond discount	—	—	110	—	—	—	—	—	110	110
	\$ 427	\$ —	\$ 1,600	\$ —	\$ —	\$ 2,132	\$ —	\$ —	\$ 4,159	\$ 3,369

CITY AND COUNTY OF SAN FRANCISCO

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods and services provided by one department or agency to other departments or agencies on a cost reimbursement basis. Two funds include 89.4% of total revenues of this fund type. Three minor funds represent the remaining 10.6%, the largest being 4.1% of the total. Operations of that fund grouping are shown in a separate schedule.

Data Processing Fund—Accounts for centralized data processing activity and the related billings to various departments for services performed.

Central Shops Fund—Accounts for Central Shops equipment (primarily vehicle) maintenance service charges and the related billings to various departments.

Other Internal Service Funds—Accounts for the financing of services such as reproduction, electricity, etc., provided by one department to other departments on a cost reimbursement basis.

CITY AND COUNTY OF SAN FRANCISCO
INTERNAL SERVICE FUNDS
Combining Balance Sheet

June 30, 1991
With comparative totals for June 30, 1990

(In Thousands)

ASSETS

	Data Processing Fund	Central Shops Fund	Other Internal Service Funds	Total	
				1991	1990
Deposits and investments	\$ 2,055	\$ —	\$ —	\$ 2,055	\$ 4,871
Charges for services receivable	641	—	—	641	—
Due from other funds	2,829	3,165	1,181	7,175	5,626
Inventories	99	—	19	118	118
Fixed assets (net of accumulated depreciation)	1,905	973	394	3,272	3,019
Other assets	—	—	144	144	5
Total assets	\$ 7,529	\$4,138	\$1,738	\$13,405	\$13,639

LIABILITIES

Accounts payable	\$ 1,041	\$ 697	\$ 111	\$ 1,849	\$ 1,140
Accrued payroll	678	299	100	1,077	998
Due to other funds	99	1,894	96	2,089	2,685
Other liabilities	—	—	5	5	—
Capital leases payable	141	—	—	141	169
Total liabilities	1,959	2,890	312	5,161	4,992

FUND EQUITY

Contributed capital, net	3,603	540	—	4,143	4,503
Retained earnings:					
Reserved	3,366	—	288	3,654	4,385
Unreserved (deficit)	(1,399)	708	1,138	447	(241)
Total fund equity	5,570	1,248	1,426	8,244	8,647
Total liabilities and fund equity	\$ 7,529	\$4,138	\$1,738	\$13,405	\$13,639

CITY AND COUNTY OF SAN FRANCISCO

INTERNAL SERVICE FUNDS

Combining Statement of Revenues, Expenses
and Changes in Fund Equity

Year ended June 30, 1991

With comparative totals for the year ended June 30, 1990

(In Thousands)

	Data Processing Fund	Central Shops Fund	Other Internal Service Funds	Total	
				1991	1990
Operating revenues:					
Charges for services	\$15,854	\$10,795	\$3,166	\$29,815	\$ 28,112
Total operating revenues	15,854	10,795	3,166	29,815	28,112
Operating expenses:					
Personal services	9,474	4,281	1,406	15,161	14,391
Contractual services	4,866	1,467	601	6,934	5,855
Materials and supplies	374	5,035	1,216	6,625	4,074
Depreciation	665	540	71	1,276	1,174
Services provided by other departments	190	171	41	402	344
Total operating expenses	15,569	11,494	3,335	30,398	25,838
Operating income (loss)	285	(699)	(169)	(583)	2,274
Nonoperating expense — other	—	—	—	—	777
Net income (loss)	285	(699)	(169)	(583)	1,497
Depreciation on fixed assets purchased with externally restricted sources that reduces contributed capital	—	540	—	540	600
Retained earnings at beginning of year	1,682	867	1,595	4,144	2,047
Retained earnings at end of year	1,967	708	1,426	4,101	4,144
Contributed capital at beginning of year	3,603	900	—	4,503	5,103
Depreciation on contributed assets	—	(540)	—	(540)	(600)
Contributed assets	—	180	—	180	—
Contributed capital at end of year	3,603	540	—	4,143	4,503
Total fund equity at end of year	\$ 5,570	\$ 1,248	\$1,426	\$ 8,244	\$ 8,647

CITY AND COUNTY OF SAN FRANCISCO

INTERNAL SERVICE FUNDS

Schedule of Revenues and Expenses—
Individual Fund Grouping

Year ended June 30, 1991

(In Thousands)

<u>Fund</u>	<u>Operating Revenues</u>	<u>Operating Expenses</u>	<u>Net Income (Loss)</u>
Other Internal Service Funds:			
Reproduction	\$1,069	\$1,005	\$ 64
Real Estate	881	929	(48)
Electricity	<u>1,216</u>	<u>1,401</u>	<u>(185)</u>
	<u>\$3,166</u>	<u>\$3,335</u>	<u>\$ (169)</u>

CITY AND COUNTY OF SAN FRANCISCO

INTERNAL SERVICE FUNDS

Combining Statement of Cash Flows

Year ended June 30, 1991

With comparative totals for the year ended June 30, 1990

(In Thousands)

	Data Processing Fund	Central Shops Fund	Other Internal Service Funds	Total	
				1991	1990
Cash flows from operating activities:					
Operating income (loss)	\$ 285	\$(699)	\$(169)	\$ (583)	\$ 2,274
Adjustments for noncash activities:					
Depreciation	665	540	71	1,276	1,174
Changes in assets/liabilities:					
Receivables, net	(641)	—	—	(641)	—
Due from other funds	(1,960)	690	(279)	(1,549)	(1,080)
Deferred charges and other assets	—	—	(139)	(139)	(5)
Accounts payable	554	158	(3)	709	(947)
Accrued payroll	24	57	(2)	79	83
Due to other funds	(33)	(644)	81	(596)	257
Deferred credits and other liabilities	(28)	—	5	(23)	(468)
Net cash provided (used) by operating activities	(1,134)	102	(435)	(1,467)	1,288
Cash flows from capital financing activities:					
Acquisition of fixed assets	(1,167)	(102)	(80)	(1,349)	(1,194)
Net cash used by capital financing activities	(1,167)	(102)	(80)	(1,349)	(1,194)
Net increase (decrease) in cash and cash equivalents	(2,301)	—	(515)	(2,816)	94
Cash and cash equivalents—beginning of year	4,356	—	515	4,871	4,777
Cash and cash equivalents—end of year	<u>\$ 2,055</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 2,055</u>	<u>\$ 4,871</u>
Noncash investing, capital and financing activities:					
Contributed capital	\$ —	\$ 180	\$ —	\$ 180	\$ —
Disposal of equipment	—	(53)	—	(53)	(1,516)
	<u>\$ —</u>	<u>\$ 127</u>	<u>\$ —</u>	<u>\$ 127</u>	<u>\$(1,516)</u>

CITY AND COUNTY OF SAN FRANCISCO

FIDUCIARY FUNDS

Fiduciary Funds include all Trust and Agency Funds which account for assets held by the City as a trustee or as an agent for individuals, other governmental units and/or other funds.

Pension Trust Fund

Employees' Retirement System—Accounts for the contributions from employees, City matching contributions and the earnings and profits from investments of monies. Disbursements are made for retirements, withdrawal, disability, and death benefits of the employees as well as administrative expenses.

Nonexpendable Trust Fund

Health Service System—Accounts for the contributions from active and retired employees, and surviving spouses, City matching contributions and the earnings and profits from investment of monies. Disbursements are made for medical expenses and to various health plans of the beneficiaries.

Expendable Trust Funds

Expendable Trust Funds are trust funds whose resources, including both principal and earnings, may be expended. Two funds include 95.7% of the expendable trust funds' assets at June 30, 1991. The remaining nine funds account for 4.3% of total assets for this category, the largest individual fund being 2.6%. Operations of four active funds are summarized in a separate schedule.

Gift Fund—Accounts for certain cash gifts which have been accepted by the Board of Supervisors on behalf of the City. Disbursements are made by departments, board and commissions in accordance with the purposes, if any, specified by the donor. Activities are controlled by project accounting procedures maintained by the Controller. At June 30, 1991, over 200 projects existed.

Fuhrman Bequest Fund—Accounts for income and disbursements of a bequest accepted by the City in 1941. In accordance with terms of the bequest one-half of the fund is used for the benefit of the Public Library and one-half is used for the benefit of Golden Gate Park.

Other Expendable Trust Funds—Account for operations of four smaller funds that cannot properly be grouped into the Gift Fund because of their specific terms.

Agency Funds

Agency Funds are custodial in nature and do not involve measurement of results of operations. Such funds have no equity accounts since all assets are due to individuals or entities at some future time. Nine funds include 98.6% of total agency assets and liabilities at June 30, 1991. Twenty minor funds total 1.4% of total agency assets and liabilities, the largest individual fund being 0.9%. Changes in assets and liabilities for that fund grouping are shown in a separate schedule.

Payroll Deduction Fund—Accounts for payroll deductions held by the City as an agent for the Federal and state governments, individuals, private organizations and other funds. Settlements of these funds are made periodically.

Unapportioned Taxes and Interest Fund—Accounts for monies received for current and delinquent taxes and for pooled cash interest earnings which must be held pending authority for distribution. Included are prepaid taxes, disputed taxes, duplicate payment of taxes, etc., as well as accrued interest.

Transportation Fund—Accounts for the quarter of one percent sales tax collected by the State Board of Equalization and deposited with the county of origin for local transportation support. The Metropolitan

CITY AND COUNTY OF SAN FRANCISCO
FIDUCIARY FUNDS—(Continued)

Transportation Commission, the regional agency responsible for administration of these monies, directs their use and distribution.

Deposits Fund—Accounts for all deposits under the control of the City departments. Dispositions of the deposits are governed by the terms of the statutes and ordinances establishing the deposit requirement.

Assistance Program Fund—Accounts for collections and advances received as an agent under various human welfare and community health programs. Monies are disbursed in accordance with legal requirements and program regulations.

Claims Settlement Fund—Accounts for monies deposited by third parties pending settlement of litigation and claims. Upon final settlement, monies and accrued interest are disbursed as directed by the courts or by parties to the dispute.

Deferred Compensation Plan Fund—Accounts for assets of the Deferred Compensation Plans for the employees of the City and Redevelopment Agency.

School and College District Fund—Accounts for receipts and disbursements of money held as an agent for the San Francisco Unified School District and the San Francisco Community College District. Pursuant to the California Education Code, all receipts for school districts and college districts must be deposited with the appropriate county.

Construction Deposits Fund—Accounts for assets of bond issues sold by the Redevelopment Agency on behalf of the City and/or other parties. Proceeds are held by bank trust departments pending authorized draw-downs.

Other Agency Funds—Account for monies held as an agent for a variety of purposes.

CITY AND COUNTY OF SAN FRANCISCO
FIDUCIARY FUNDS
Combining Balance Sheet
June 30, 1991
With Comparative Totals as of June 30, 1990
(In Thousands)

ASSETS

	Pension Trust Fund	Non- expendable Trust Fund	Expend- able Trust Funds	Agency Funds	Total	
	Employees' Retirement System	Health Service System			1991	1990
Deposits and investments	\$ 24,451	\$31,400	\$12,132	\$190,847	\$ 258,830	\$ 220,803
Investments with trustee	4,301,450	—	—	224,611	4,526,061	4,159,082
Interest and other receivables	82,585	640	934	78,636	162,795	159,480
Due from other funds	634	1,564	16	2,558	4,772	5,285
Deferred charges and other assets	—	3,106	347	1,355	4,808	4,469
Total assets	<u>\$4,409,120</u>	<u>\$36,710</u>	<u>\$13,429</u>	<u>\$498,007</u>	<u>\$4,957,266</u>	<u>\$4,549,119</u>

LIABILITIES

Accounts payable	\$ 2,091	\$ 2,179	\$ 60	\$ 22,104	\$ 26,434	\$ 31,522
Accrued payroll	183	—	30	—	213	222
Accrued vacation and sick leave pay	450	—	—	—	450	425
Estimated claims payable	—	9,104	—	—	9,104	7,470
Due to other funds	433	1	3,347	64,472	68,253	109,657
Agency obligations:						
School and College Districts	—	—	—	125,239	125,239	103,014
Other	—	—	—	116,372	116,372	117,443
Deferred credits and other liabilities	<u>13,181</u>	<u>5,075</u>	<u>90</u>	<u>169,820</u>	<u>188,166</u>	<u>199,822</u>
Total liabilities	<u>16,338</u>	<u>16,359</u>	<u>3,527</u>	<u>498,007</u>	<u>534,231</u>	<u>569,575</u>

FUND EQUITY

Fund balances:						
Reserved for employees'						
retirement/health benefits	4,392,782	20,351	—	—	4,413,133	3,967,774
Reserved for inventory type assets not						
available for appropriation	—	—	346	—	346	351
Reserved for appropriation carryforward ...	—	—	4,698	—	4,698	6,744
Unreserved—undesignated	—	—	4,858	—	4,858	4,675
Total fund equity	<u>4,392,782</u>	<u>20,351</u>	<u>9,902</u>	<u>—</u>	<u>4,423,035</u>	<u>3,979,544</u>
Total liabilities and fund equity	<u>\$4,409,120</u>	<u>\$36,710</u>	<u>\$13,429</u>	<u>\$498,007</u>	<u>\$4,957,266</u>	<u>\$4,549,119</u>

CITY AND COUNTY OF SAN FRANCISCO
PENSION TRUST AND NONEXPENDABLE TRUST FUNDS
Comparative Statement of Revenues, Expenses and Changes in Fund Equity
Year ended June 30, 1991
With comparative totals for the year ended June 30, 1990
(In Thousands)

	Pension Trust Fund		Nonexpendable Trust Fund	
	Employees' Retirement System		Health Service System	
	<u>1991</u>	<u>1990</u>	<u>1991</u>	<u>1990</u>
Operating revenues:				
Contributions	\$ 309,712	\$ 283,296	\$119,909	\$104,082
Income from investments	347,915	322,012	2,099	1,516
Total operating revenues	<u>657,627</u>	<u>605,308</u>	<u>122,008</u>	<u>105,598</u>
Operating expenses:				
Contractual services	—	—	79,024	63,104
General and administrative	3,848	3,865	—	18
Benefit payments	<u>211,770</u>	<u>198,543</u>	<u>39,634</u>	<u>32,641</u>
Total operating expenses	<u>215,618</u>	<u>202,408</u>	<u>118,658</u>	<u>95,763</u>
Net income	442,009	402,900	3,350	9,835
Fund equity at beginning of year	3,950,773	3,547,873	17,001	7,166
Fund equity at end of year	<u>\$4,392,782</u>	<u>\$3,950,773</u>	<u>\$ 20,351</u>	<u>\$ 17,001</u>

CITY AND COUNTY OF SAN FRANCISCO
 NONEXPENDABLE TRUST FUND
 Comparative Statement Of Cash Flows
 Year ended June 30, 1991
 With comparative totals for the year ended June 30, 1990
 (In Thousands)

	Nonexpendable Trust Fund	
	Health Service System	
	1991	1990
Cash flows from operating activities:		
Operating income	\$ 3,350	\$ 9,835
Adjustments for non-cash activities:		
Changes in assets/liabilities:		
Receivables, net	(569)	(246)
Due from other funds	1,749	(3,365)
Accounts payable	191	49
Estimated claims payable	1,634	774
Due to other funds	—	(400)
Deferred credits and other liabilities	652	1,964
Net cash provided by operating activities	7,007	8,611
Cash and cash equivalents—beginning of year	24,393	15,782
Cash and cash equivalents—end of year	<u>\$31,400</u>	<u>\$24,393</u>

CITY AND COUNTY OF SAN FRANCISCO

EXPENDABLE TRUST FUNDS

Combining Balance Sheet

June 30, 1991

With comparative totals as of June 30, 1990

(In Thousands)

ASSETS

	Gift Fund	Fuhrman Bequest Fund	Other Expendable Trust Funds	Total	
				1991	1990
Deposits and investments	\$8,707	\$2,857	\$568	\$12,132	\$10,847
Interest and other receivables	909	25	—	934	899
Due from other funds	16	—	—	16	52
Deferred charges and other assets	282	50	15	347	351
Total assets	<u>\$9,914</u>	<u>\$2,932</u>	<u>\$583</u>	<u>\$13,429</u>	<u>\$12,149</u>

LIABILITIES

Accounts payable	\$ 56	\$ 4	\$ —	\$ 60	\$ 54
Accrued payroll	22	8	—	30	45
Due to other funds	3,347	—	—	3,347	190
Deferred credits and other liabilities	4	—	86	90	90
Total liabilities	<u>3,429</u>	<u>12</u>	<u>86</u>	<u>3,527</u>	<u>379</u>

FUND EQUITY

Fund balances:

Reserved for inventory type assets not available for appropriation	282	49	15	346	351
Reserved for appropriation carryforward	3,980	701	17	4,698	6,744
Unreserved—undesignated	<u>2,223</u>	<u>2,170</u>	<u>465</u>	<u>4,858</u>	<u>4,675</u>
Total fund equity	<u>6,485</u>	<u>2,920</u>	<u>497</u>	<u>9,902</u>	<u>11,770</u>
Total liabilities and fund equity	<u>\$9,914</u>	<u>\$2,932</u>	<u>\$583</u>	<u>\$13,429</u>	<u>\$12,149</u>

CITY AND COUNTY OF SAN FRANCISCO

EXPENDABLE TRUST FUNDS

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Year ended June 30, 1991

With comparative totals for the year ended June 30, 1990

(In Thousands)

	Gift Fund	Fuhrman Bequest Fund	Other Expendable Trust Funds	Total	
				1991	1990
Revenues:					
Grants and subventions	\$ 242	\$ —	\$ —	\$ 242	\$ 1,442
Interest and investment earnings	499	671	6	1,176	824
Charges for services	580	—	—	580	84
Contributions	5,474	5	—	5,479	7,484
Total revenues	6,795	676	6	7,477	9,834
Expenditures:					
Public protection	29	—	—	29	391
Public works, transportation and commerce ..	21	—	—	21	15
Human welfare and neighborhood development	879	—	6	885	47
Community health	218	—	—	218	687
Culture and recreation	1,695	403	—	2,098	777
General administration and finance	493	—	—	493	371
Total expenditures	3,335	403	6	3,744	2,288
Excess (deficiency) of revenues over expenditures	3,460	273	—	3,733	7,546
Other financing sources uses:					
Operating transfers in	27	16	—	43	—
Operating transfers out	(5,639)	—	—	(5,639)	(1,575)
	(5,612)	16	—	(5,596)	(1,575)
Excess (deficiency) of revenues over (under) expenditures and other uses	(2,152)	289	—	(1,863)	5,971
Fund balances at beginning of year	8,637	2,636	497	11,770	5,819
Net change in reserve for assets not available for appropriation	—	(5)	—	(5)	(20)
Fund balances at end of year	\$ 6,485	\$2,920	\$497	\$9,902	\$11,770

CITY AND COUNTY OF SAN FRANCISCO
OTHER EXPENDABLE TRUST FUNDS
Schedule of Revenues and Expenditures—
Individual Fund Grouping

Year ended June 30, 1991

(In Thousands)

<u>Fund</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Excess (Deficiency) of Revenues Over (Under) Expenditures</u>
PPIE Scholarship Principal	\$ 1	\$—	\$ 1
Special Anecdotal-Library	1	—	1
Robinson Bequest	3	6	(3)
Windell Bequest	1	—	1
	<u>\$ 6</u>	<u>\$ 6</u>	<u>\$—</u>

CITY AND COUNTY OF SAN FRANCISCO

AGENCY FUNDS

Combining Statement of Changes in Assets and Liabilities

Year ended June 30, 1991

(In Thousands)

	Balance June 30, 1990	Additions	Deductions	Balance June 30, 1991
Payroll Deduction Fund				
ASSETS				
Deposits and investments	\$ 4,668	\$ 440,696	\$ 441,519	\$ 3,845
Interest and other receivables	316	63	117	262
Due from other funds	512	—	512	—
Deferred charges and other assets	—	—	—	—
Total assets	<u>\$ 5,496</u>	<u>\$ 440,759</u>	<u>\$ 442,148</u>	<u>\$ 4,107</u>
LIABILITIES				
Accounts payable	\$ 4,809	\$ 66,888	\$ 67,753	\$ 3,944
Due to other funds	411	3	411	3
Agency obligations:				
School and College Districts	—	—	—	—
Other liabilities	276	471,908	472,024	160
Other	—	—	—	—
Total liabilities	<u>\$ 5,496</u>	<u>\$ 538,799</u>	<u>\$ 540,188</u>	<u>\$ 4,107</u>
Unapportioned Taxes and Interest Fund				
ASSETS				
Deposits and investments	\$16,763	\$ 666,058	\$ 668,580	\$14,241
Interest and other receivables	71,045	657,369	653,582	74,832
Due from other funds	58	2,273	58	2,273
Deferred charges and other assets	—	—	—	—
Total assets	<u>\$87,866</u>	<u>\$1,325,700</u>	<u>\$1,322,220</u>	<u>\$91,346</u>
LIABILITIES				
Accounts payable	\$ 7,131	\$ 16,440	\$ 14,075	\$ 9,496
Due to other funds	—	2,272	—	2,272
Agency obligations:				
School and College Districts	—	—	—	—
Other liabilities	80,735	734,209	735,366	79,578
Other	—	—	—	—
Total liabilities	<u>\$87,866</u>	<u>\$ 752,921</u>	<u>\$ 749,441</u>	<u>\$91,346</u>

(Continued)

CITY AND COUNTY OF SAN FRANCISCO

AGENCY FUNDS

Combining Statement of Changes in Assets and Liabilities—(Continued)

Year ended June 30, 1991

(In Thousands)

	Balance June 30, 1990	Additions	Deductions	Balance June 30, 1991
Transportation Fund				
ASSETS				
Deposits and investments.....	\$ 3,574	\$ 39,688	\$ 42,395	\$ 867
Interest and other receivables	—	—	—	—
Due from other funds.....	59	65	59	65
Deferred charges and other assets.....	—	—	—	—
Total assets	<u>\$ 3,633</u>	<u>\$ 39,753</u>	<u>\$ 42,454</u>	<u>\$ 932</u>
LIABILITIES				
Accounts payable.....	\$ 117	\$ 192	\$ 122	\$ 187
Due to other funds.....	—	142	52	90
Agency obligations:				
School and College Districts	—	—	—	—
Other liabilities	3,516	39,629	42,490	655
Other.....	—	—	—	—
Total liabilities	<u>\$ 3,633</u>	<u>\$ 39,963</u>	<u>\$ 42,664</u>	<u>\$ 932</u>
Deposits Fund				
ASSETS				
Deposits and investments.....	\$ 22,816	\$ 35,768	\$ 31,864	\$ 26,720
Interest and other receivables	1	—	—	1
Due from other funds.....	93	—	93	—
Deferred charges and other assets.....	488	39	22	505
Total assets	<u>\$ 23,398</u>	<u>\$ 35,807</u>	<u>\$ 31,979</u>	<u>\$ 27,226</u>
LIABILITIES				
Accounts payable.....	\$ 402	\$ 2,353	\$ 2,432	\$ 323
Due to other funds.....	81	1,928	81	1,928
Agency obligations:				
School and College Districts	—	—	—	—
Other liabilities	22,915	35,372	33,312	24,975
Other.....	—	—	—	—
Total liabilities	<u>\$ 23,398</u>	<u>\$ 39,653</u>	<u>\$ 35,825</u>	<u>\$ 27,226</u>

(Continued)

CITY AND COUNTY OF SAN FRANCISCO

AGENCY FUNDS

Combining Statement of Changes in Assets and Liabilities—(Continued)

Year ended June 30, 1991

(In Thousands)

	Balance June 30, 1990	Additions	Deductions	Balance June 30, 1991
Assistance Program Fund				
ASSETS				
Deposits and investments.....	\$ 3,684	\$ 29,760	\$ 28,341	\$ 5,103
Interest and other receivables	4	—	—	4
Due from other funds.....	3	5	6	2
Deferred charges and other assets.....	—	—	—	—
Total assets.....	<u>\$ 3,691</u>	<u>\$ 29,765</u>	<u>\$ 28,347</u>	<u>\$ 5,109</u>
LIABILITIES				
Accounts payable.....	\$ 124	\$ 357	\$ 206	\$ 275
Due to other funds.....	1,232	1,554	1,235	1,551
Agency obligations:				
School and College Districts	—	—	—	—
Other liabilities	2,335	29,759	28,811	3,283
Other.....	—	—	—	—
Total liabilities.....	<u>\$ 3,691</u>	<u>\$ 31,670</u>	<u>\$ 30,252</u>	<u>\$ 5,109</u>
Claims Settlement Fund				
ASSETS				
Deposits and investments.....	\$ 1,458	\$ 106	\$ 101	\$ 1,463
Interest and other receivables	—	—	—	—
Due from other funds.....	—	—	—	—
Deferred charges and other assets.....	—	—	—	—
Total assets.....	<u>\$ 1,458</u>	<u>\$ 106</u>	<u>\$ 101</u>	<u>\$ 1,463</u>
LIABILITIES				
Accounts payable.....	\$ —	\$ 115	\$ 98	\$ 17
Due to other funds.....	—	—	—	—
Agency obligations:				
School and College Districts	—	—	—	—
Other liabilities	1,458	102	114	1,446
Other.....	—	—	—	—
Total liabilities.....	<u>\$ 1,458</u>	<u>\$ 217</u>	<u>\$ 212</u>	<u>\$ 1,463</u>

(Continued)

CITY AND COUNTY OF SAN FRANCISCO

AGENCY FUNDS

Combining Statement of Changes in Assets and Liabilities—(Continued)

Year ended June 30, 1991

(In Thousands)

	Balance June 30, 1990	Additions	Deductions	Balance June 30, 1991
Deferred Compensation Plan Fund				
ASSETS				
Deposits and investments.....	\$ —	\$ —	\$ —	\$ —
Investments with trustee.....	141,621	32,986	7,827	166,780
Interest and other receivables	—	—	—	—
Due from other funds.....	—	—	—	—
Deferred charges and other assets.....	—	—	—	—
Total assets.....	<u>\$141,621</u>	<u>\$ 32,986</u>	<u>\$ 7,827</u>	<u>\$166,780</u>
LIABILITIES				
Accounts payable.....	\$ —	\$ —	\$ —	\$ —
Due to other funds.....	—	—	—	—
Agency obligations:				
School and College Districts	—	—	—	—
Other liabilities	—	—	—	—
Other.....	141,621	32,986	7,827	166,780
Total liabilities.....	<u>\$141,621</u>	<u>\$ 32,986</u>	<u>\$ 7,827</u>	<u>\$166,780</u>
School and College District Fund				
ASSETS				
Deposits and investments.....	\$116,567	\$ 904,437	\$ 889,186	\$131,818
Interest and other receivables	3,921	7,642	8,471	3,092
Due from other funds.....	6	35,871	35,684	193
Deferred charges and other assets.....	935	—	85	850
Total assets.....	<u>\$121,429</u>	<u>\$ 947,950</u>	<u>\$ 933,426</u>	<u>\$135,953</u>
LIABILITIES				
Accounts payable.....	\$ 14,597	\$ 23,918	\$ 30,725	\$ 7,790
Due to other funds.....	3,818	40,459	41,353	2,924
Agency obligations:				
School and College Districts	103,014	26,073	3,848	125,239
Other liabilities	—	—	—	—
Other.....	—	—	—	—
Total liabilities.....	<u>\$121,429</u>	<u>\$ 90,450</u>	<u>\$ 75,926</u>	<u>\$135,953</u>

(Continued)

CITY AND COUNTY OF SAN FRANCISCO

AGENCY FUNDS

Combining Statement of Changes in Assets and Liabilities—(Continued)

Year ended June 30, 1991

(In Thousands)

	Balance June 30, 1990	Additions	Deductions	Balance June 30, 1991
Construction Deposits Fund				
ASSETS				
Deposits and investments	\$ —	\$ 116	—	\$ 116
Investments with trustee	105,564	32,858	80,591	57,831
Interest and other receivables	—	—	—	—
Due from other funds	—	—	—	—
Deferred charges and other assets	—	—	—	—
Total assets	<u>\$105,564</u>	<u>\$32,974</u>	<u>\$80,591</u>	<u>\$57,947</u>
LIABILITIES				
Accounts payable	\$ 5	\$ —	\$ 1	\$ 4
Due to other funds	102,738	7,823	55,307	55,254
Agency obligations:				
School and College Districts	—	—	—	—
Other liabilities	—	—	—	—
Other	2,821	727	859	2,689
Total liabilities	<u>\$105,564</u>	<u>\$ 8,550</u>	<u>\$56,167</u>	<u>\$57,947</u>
Other Agency Funds				
ASSETS				
Deposits and investments	\$ 7,007	\$11,972	\$12,305	\$ 6,674
Interest and other receivables	446	—	1	445
Due from other funds	68	25	68	25
Deferred charges and other assets	—	—	—	—
Total assets	<u>\$ 7,521</u>	<u>\$11,997</u>	<u>\$12,374</u>	<u>\$ 7,144</u>
LIABILITIES				
Accounts payable	\$ 84	\$ 3,667	\$ 3,683	\$ 68
Due to other funds	878	4	432	450
Agency obligations:				
School and College Districts	—	—	—	—
Other liabilities	6,208	11,924	11,857	6,275
Other	351	—	—	351
Total liabilities	<u>\$ 7,521</u>	<u>\$15,595</u>	<u>\$15,972</u>	<u>\$ 7,144</u>

(Continued)

CITY AND COUNTY OF SAN FRANCISCO

AGENCY FUNDS

Combining Statement of Changes in Assets and Liabilities—(Continued)

Year ended June 30, 1991

(In Thousands)

	Balance June 30, 1990	Additions	Deductions	Balance June 30, 1991
Total Agency Funds				
ASSETS				
Deposits and investments.....	\$176,537	\$2,128,601	\$2,114,291	\$190,847
Investments with trustee.....	247,185	65,844	88,418	224,611
Interest and other receivables.....	75,733	665,074	662,171	78,636
Due from other funds.....	799	38,239	36,480	2,558
Deferred charges and other assets.....	1,423	39	107	1,355
Total assets.....	<u>\$501,677</u>	<u>\$2,897,797</u>	<u>\$2,901,467</u>	<u>\$498,007</u>
LIABILITIES				
Accounts payable.....	\$ 27,269	\$ 113,930	\$ 119,095	\$ 22,104
Due to other funds.....	109,158	54,185	98,871	64,472
Agency obligations:				
School and College Districts.....	103,014	26,073	3,848	125,239
Other liabilities.....	117,443	1,322,903	1,323,974	116,372
Other.....	144,793	33,713	8,686	169,820
Total liabilities.....	<u>\$501,677</u>	<u>\$1,550,804</u>	<u>\$1,554,474</u>	<u>\$498,007</u>

CITY AND COUNTY OF SAN FRANCISCO

AGENCY FUNDS

Schedule of Changes in Assets and Liabilities—
Individual Fund Grouping

Year ended June 30, 1991

(In Thousands)

	Assets			Liabilities		
	Balance June 30, 1990	Additions	Deductions	Balance June 30, 1990	Additions	Deductions
Other Agency Funds:						
Recreation and Park—Open Space . . .	\$4,444	\$ —	\$ —	\$4,444	\$ —	\$ —
Victims—Crimes of Violence	5	54	54	5	107	107
Street Improvement—1934	—	—	—	—	—	—
Ordinance	—	1	1	—	1	1
Redevelopment Agency	—	6,190	6,170	20	6,211	6,191
State Sales Tax	3	91	91	3	130	130
State Penalties—Vehicle Code 42050 . . .	17	182	183	16	17	365
State Consumers' Use Tax	109	875	823	161	109	832
Tuolumne Occupancy Tax	12	47	59	—	12	55
Recreation/Park State Sales Tax	5	—	—	5	—	—
State—County Clerk	57	42	37	62	57	81
Bay Area Air Quality District	15	1,092	1,094	13	15	1,099
State Marriage License Fees	1	10	10	1	1	20
State Marriage License Copy Fees	4	50	50	4	4	96
State Hazardous Materials Fees	2	28	22	8	2	51
Death/Birth Certificates	60	238	188	110	60	301
Business Tax Suspense	1,545	2,808	3,129	1,224	1,545	5,957
Abandoned Properties	13	—	—	13	—	—
Developers' Performance Bonds	351	289	31	609	351	289
Red Cross Earthquake Relief	432	—	432	—	432	—
San Francisco Loan Funds	446	—	—	446	—	—
Total	<u>\$7,521</u>	<u>\$11,997</u>	<u>\$12,374</u>	<u>\$7,144</u>	<u>\$15,595</u>	<u>\$15,972</u>

CITY AND COUNTY OF SAN FRANCISCO
GENERAL FIXED ASSETS ACCOUNT GROUP

Accounts for recorded fixed assets other than those accounted for in the proprietary type funds.

The City does not include infrastructure in its General Fixed Assets Account Group. Examples of infrastructure are roads, curbs and gutters, streets and sidewalks and similar assets that are immovable and of value only to the City.

General Fixed Assets are not depreciated.

CITY AND COUNTY OF SAN FRANCISCO
SCHEDULE OF GENERAL FIXED ASSETS BY FUNCTION AND TYPE

June 30, 1991
(In Thousands)

Function	Land	Facilities and Improvements	Machinery and Equipment	Construction in Progress	Property Held for Lease	Total
Public protection	\$ 5,933	\$104,606	\$ 49,605	\$ 40,853	\$ —	\$ 200,997
Public works, transportation and commerce	10,185	35,802	15,818	514	—	62,319
Human welfare and neighborhood development	190	19,194	5,085	2,082	30,401	56,952
Community health	413	10,936	9,845	2,835	—	24,029
Culture and recreation	46,677	478,434	35,238	158,470	—	718,819
General administration and finance	9,634	39,419	40,453	5,317	—	94,823
Total general fixed assets	<u>\$73,032</u>	<u>\$688,391</u>	<u>\$156,044</u>	<u>\$210,071</u>	<u>\$30,401</u>	<u>\$1,157,939</u>

SCHEDULE OF FUNDING SOURCES FOR GENERAL FIXED ASSETS

June 30, 1991
(In Thousands)

General investments in fixed assets acquired prior to July 1, 1987	\$ 742,421
Source of funding for general fixed assets acquired from July 1, 1987 through June 30, 1991:	
General Fund revenues	94,681
Special Revenue Funds revenues	79,252
General obligation bond proceeds	65,777
Lease revenue bond proceeds	156,760
Federal and state grants	5,813
Other	<u>13,235</u>
Total general fixed assets	<u>\$1,157,939</u>

**CITY AND COUNTY OF SAN FRANCISCO
GENERAL REVENUES BY SOURCE (1)**

Last Ten Fiscal Years

(In Thousands)

Fiscal Year	Property Taxes	Business Taxes	Other Local Taxes	Grants and Subventions	Licenses, Fines and Penalties	Interest and Investment Earnings	Charges for Services	Other	Total
1982	\$204,227	\$103,116 (2)	\$158,031	\$315,137	\$30,634	\$32,648	\$83,178	\$11,772	\$ 938,743
% of Total	21.8	11.0	16.8	33.6	3.3	3.5	8.9	1.1	100.0
% Change	—	—	—	—	—	—	—	—	—
1983	229,701	99,255	140,451	297,809	29,778	49,364	93,991	10,125	950,474
% of Total	24.2	10.4	14.8	31.3	3.1	5.2	9.9	1.1	100.0
% Change	12.5	(3.7)	(11.1)	(5.5)	(2.8)	51.2	13.0	(14.0)	1.2
1984	245,140	98,844	149,984	268,717	30,783	44,322	66,451 (3)	8,453	912,694
% of Total	26.9	10.8	16.4	29.4	3.4	4.9	7.3	0.9	100.0
% Change	6.7	(0.4)	6.8	(9.8)	3.4	(10.2)	(29.3)	(16.5)	(4.0)
1985	285,460	94,986	168,830	291,753	29,372	37,006	71,714	6,027	985,148
% of Total	29.0	9.6	17.1	29.6	3.0	3.8	7.3	0.6	100.0
% Change	16.4	(3.9)	12.6	8.6	(4.6)	(16.5)	7.9	(28.7)	7.9
1986	328,475	111,631	185,308	311,173	36,879	37,083	79,218	6,869	1,096,636
% of Total	30.0	10.2	16.9	28.4	3.4	3.4	7.2	0.5	100.0
% Change	15.1	17.5	9.8	6.7	25.6	0.2	10.5	14.0	11.3
1987	352,562	113,082	200,773	301,114	39,414	28,966	94,719	9,371	1,140,001
% of Total	30.9	9.9	17.6	26.4	3.5	2.5	8.3	0.9	100.0
% Change	7.3	1.3	8.3	(3.2)	6.9	(21.9)	19.6	36.4	4.0
1988	382,194	120,055	218,697	347,989	45,267	25,748	78,606	11,402	1,229,958
% of Total	31.1	9.7	17.8	28.3	3.7	2.1	6.4	0.9	100.0
% Change	8.4	6.2	8.9	15.6	14.9	(11.1)	(17.0)	21.7	7.9
1989	410,125	142,713	229,846	362,908	50,527	30,410	81,518	13,886	1,321,933
% of Total	31.0	10.8	17.4	27.4	3.8	2.3	6.2	1.1	100.0
% Change	7.3	18.9	5.1	4.3	11.6	18.1	3.7	21.8	7.5
1990	457,867	152,265	228,964	443,821	50,296	31,714	90,956	12,795	1,468,678
% of Total	31.1	10.4	15.6	30.2	3.4	2.2	6.2	0.9	100.0
% Change	11.6	6.7	(0.4)	22.3	(0.5)	4.3	11.6	(7.9)	11.1
1991	483,887	156,771	272,577	450,405	50,222	31,534	92,904	17,245	1,555,545
% of Total	31.1	10.1	17.5	29.0	3.2	2.0	6.0	1.1	100.0
% Change	5.7	3.0	19.0	1.5	(0.1)	(0.6)	2.1	34.8	5.9

(Notes on following page)

CITY AND COUNTY OF SAN FRANCISCO
GENERAL REVENUES BY SOURCE—CONSTANT DOLLAR VALUE(1) (4)

Last Ten Fiscal Years

(In Thousands)

<u>Fiscal Year</u>	<u>Property Taxes</u>	<u>Business Taxes</u>	<u>Other Local Taxes</u>	<u>Grants and Subventions</u>	<u>Licenses, Fines and Penalties</u>	<u>Interest and Investment Earnings</u>	<u>Charges for Services</u>	<u>Other</u>	<u>Total</u>
1982	\$204,227	\$103,116 (2)	\$158,031	\$315,137	\$30,634	\$32,648	\$83,178	\$11,772	\$938,743
% of Total	21.8	11.0	16.8	33.6	3.3	3.5	8.9	1.1	100.0
% Change	—	—	—	—	—	—	—	—	—
1983	227,803	98,435	139,290	295,348	29,532	48,956	93,214	10,041	942,619
% of Total	24.2	10.4	14.8	31.3	3.1	5.2	9.9	1.1	100.0
% Change	11.5	(4.5)	(11.9)	(6.3)	(3.6)	50.0	12.1	(14.7)	0.4
1984	229,962	92,724	140,698	252,080	28,877	41,578	62,337	7,930	856,186
% of Total	26.9	10.8	16.4	29.4	3.4	4.9	7.3	0.9	100.0
% Change	0.9	(5.8)	1.0	(14.6)	(2.2)	(15.1)	(33.1)	(21.0)	(9.2)
1985	257,017	85,522	152,008	262,683	26,445	33,319	64,568	5,426	886,988
% of Total	29.0	9.6	17.1	29.6	3.0	3.8	7.3	0.6	100.0
% Change	11.8	(7.8)	8.0	4.2	(8.4)	(19.9)	3.6	(31.6)	3.6
1986	286,461	97,353	161,606	271,372	32,162	32,340	69,085	5,990	956,369
% of Total	30.0	10.2	16.9	28.4	3.4	3.4	7.2	0.5	100.0
% Change	11.5	13.8	6.3	3.3	21.6	(2.9)	7.0	10.4	7.8
1987	301,679	96,762	171,797	257,656	33,726	24,786	81,049	8,019	975,474
% of Total	30.9	9.8	17.6	26.4	3.5	2.5	8.3	1.0	100.0
% Change	5.3	(0.6)	6.3	(5.1)	4.9	(23.4)	17.3	33.9	2.0
1988	316,560	99,438	181,141	288,229	37,493	21,326	65,107	9,444	1,018,738
% of Total	31.1	9.7	17.8	28.3	3.7	2.1	6.4	0.9	100.0
% Change	4.9	2.8	5.4	11.9	11.2	(14.0)	(19.7)	17.8	4.4
1989	323,613	112,609	181,362	286,357	39,869	23,995	64,322	10,957	1,043,083
% of Total	31.0	10.8	17.4	27.4	3.8	2.3	6.2	1.1	100.0
% Change	2.2	13.2	0.1	(0.6)	6.3	12.5	(1.2)	16.0	2.4
1990	346,957	115,381	173,501	336,313	38,113	24,032	68,923	9,696	1,112,916
% of Total	31.1	10.4	15.6	30.2	3.4	2.2	6.2	0.9	100.0
% Change	7.2	2.5	(4.3)	17.4	(4.4)	0.2	7.2	(11.5)	6.7
1991	349,209	113,138	196,712	325,046	36,244	22,757	67,046	12,445	1,122,597
% of Total	31.1	10.1	17.5	29.0	3.2	2.0	6.0	1.1	100.0
% Change	0.6	(1.9)	13.4	(3.4)	(4.9)	(5.3)	(2.7)	28.4	0.9

Notes:

- (1) Includes General, Special Revenue and Debt Service Funds.
- (2) Includes settlement of litigation regarding increase in the local business taxes in the amount of \$53.1 million.
- (3) Reflects separation of Laguna Honda Hospital as an enterprise starting FY 1983-84.
- (4) The information for the years 1983 through 1991 has been adjusted to the 1982 value of the dollar, using the average Consumer Price Index-Urban for each year. This information has been provided for informational purposes as an indication of the true changes in the City's revenues since 1982.

CITY AND COUNTY OF SAN FRANCISCO
GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (1)

Last Ten Fiscal Years

(In Thousands)

<u>Fiscal Year</u>	<u>Public Protection</u>	<u>Public Works, Transportation and Commerce</u>	<u>Human Welfare and Neighborhood Development</u>	<u>Community Health</u>	<u>Culture and Recreation</u>	<u>General Administration and Finance</u>	<u>Debt Service</u>	<u>Total</u>
1982	\$296,507	\$46,797	\$194,799	\$106,454	\$51,578	\$ 68,883	\$17,636	\$ 782,654
% of Total	37.9	6.0	24.9	13.6	6.6	8.8	2.2	100.0
% Change	—	—	—	—	—	—	—	—
1983	294,008	44,721	192,111	113,128	67,901	85,152	23,198	820,219
% of Total	35.8	5.5	23.4	13.8	8.3	10.4	2.8	100.0
% Change	(0.8)	(4.4)	(1.4)	6.3	31.6	23.6	31.5	4.8
1984	335,207	51,828	193,345	82,426 (2)	72,906	71,581	26,619	833,912
% of Total	40.2	6.2	23.2	9.9	8.7	8.6	3.2	100.0
% Change	14.0	15.9	0.6	(27.1)	7.4	(15.9)	14.7	1.7
1985	367,456	56,391	205,811	99,690	80,529	104,600	25,905	940,382
% of Total	39.1	6.0	21.9	10.6	8.6	11.1	2.7	100.0
% Change	9.6	8.8	6.4	20.9	10.5	46.1	(2.7)	12.8
1986	383,514	57,442	211,912	112,660	86,467	83,245	26,208	961,448
% of Total	39.9	6.0	22.0	11.7	9.0	8.7	2.7	100.0
% Change	4.4	1.9	3.0	13.0	7.4	(20.4)	1.2	2.2
1987	408,352	65,308	228,635	122,200	95,933	114,781	25,106	1,060,315
% of Total	38.5	6.2	21.6	11.5	9.0	10.8	2.4	100.0
% Change	6.5	13.7	7.9	8.5	10.9	37.9	(4.2)	10.3
1988	419,009	66,424	235,127	132,505	100,510	125,115	31,301	1,109,991
% of Total	37.7	6.0	21.2	11.9	9.1	11.3	2.8	100.0
% Change	2.6	1.7	2.8	8.4	4.8	9.0	24.7	4.7
1989	422,096	62,832	245,917	136,800	101,416	134,375	32,441	1,135,877
% of Total	37.3	5.5	21.6	12.0	8.9	11.8	2.9	100.0
% Change	0.7	(5.4)	4.6	3.2	0.9	7.4	3.6	2.3
1990	451,575	75,645	275,066	163,771	116,972	128,562	51,405	1,262,996
% of Total	35.7	6.0	21.7	13.0	9.3	10.2	4.1	100.0
% Change	7.0	20.4	11.9	19.7	15.3	(4.3)	58.5	11.2
1991	472,915	82,905	304,817	194,786	120,338	147,460	68,983	1,392,204
% of Total	34.0	6.0	21.9	14.0	8.6	10.6	4.9	100.0
% Change	4.7	9.6	10.8	18.9	2.9	14.7	34.2	10.2

(Notes on following page)

CITY AND COUNTY OF SAN FRANCISCO
GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION—
CONSTANT DOLLAR VALUE(1) (3)

Last Ten Fiscal Years
(In Thousands)

<u>Fiscal Year</u>	<u>Public Protection</u>	<u>Public Works, Transportation and Commerce</u>	<u>Human Welfare and Neighborhood Development</u>	<u>Community Health</u>	<u>Culture and Recreation</u>	<u>General Administration and Finance</u>	<u>Debt Service</u>	<u>Total</u>
1982	\$296,507	\$46,797	\$194,799	\$106,454	\$51,578	\$68,883	\$17,636	\$ 782,654
% of Total	37.9	6.0	24.9	13.6	6.6	8.8	2.2	100.0
% Change	—	—	—	—	—	—	—	—
1983	291,578	44,351	190,523	112,193	67,340	84,448	23,006	813,439
% of Total	35.8	5.5	23.4	13.8	8.3	10.4	2.8	100.0
% Change	(1.7)	(5.2)	(2.2)	5.4	30.6	22.6	30.4	3.9
1984	314,453	48,619	181,374	77,323 (2)	68,392	67,149	24,971	782,281
% of Total	40.2	6.2	23.2	9.9	8.7	8.6	3.2	100.0
% Change	7.8	9.6	(4.8)	(31.1)	1.6	(20.5)	8.5	(3.8)
1985	330,843	50,772	185,304	89,757	72,505	94,178	23,324	846,683
% of Total	39.1	6.0	21.9	10.6	8.6	11.1	2.7	100.0
% Change	5.2	4.4	2.2	16.1	6.0	40.3	(6.6)	8.2
1986	334,460	50,095	184,807	98,250	75,407	72,597	22,856	838,472
% of Total	39.9	6.0	22.0	11.7	9.0	8.7	2.7	100.0
% Change	1.1	(1.3)	(0.3)	9.5	4.0	(22.9)	(2.0)	(1.0)
1987	349,417	55,882	195,637	104,564	82,088	98,215	21,483	907,286
% of Total	38.5	6.2	21.6	11.5	9.0	10.8	2.4	100.0
% Change	4.5	11.6	5.9	6.4	8.9	35.3	(6.0)	8.2
1988	347,053	55,017	194,749	109,750	83,250	103,629	25,926	919,374
% of Total	37.7	6.0	21.2	11.9	9.1	11.3	2.8	100.0
% Change	(0.7)	(1.5)	(0.5)	5.0	1.4	5.5	20.7	1.3
1989	333,058	49,578	194,043	107,943	80,023	106,030	25,598	896,273
% of Total	37.2	5.5	21.7	12.0	8.9	11.8	2.9	100.0
% Change	(4.0)	(9.9)	(0.4)	(1.6)	(3.9)	2.3	(1.3)	(2.5)
1990	342,189	57,321	208,436	124,100	88,638	97,420	38,953	957,057
% of Total	35.7	6.0	21.7	13.0	9.3	10.2	4.1	100.0
% Change	2.7	15.6	7.4	15.0	10.8	(8.1)	52.2	6.8
1991	341,291	59,830	219,979	140,572	86,846	106,418	49,783	1,004,719
% of Total	34.0	6.0	21.9	14.0	8.6	10.6	4.9	100.0
% Change	(0.3)	4.4	5.5	13.3	(2.0)	9.2	27.8	5.0

- Notes:
- (1) Includes General, Special Revenue and Debt Service Funds.
 - (2) Reflects separation of Laguna Honda Hospital as an enterprise starting FY 1983-84.
 - (3) The information for the years 1983 through 1991 has been adjusted to the 1982 value of the dollar, using the average Consumer Price Index-Urban for each year. This information has been provided for information purposes as an indication of the true changes in the expenditure level of the City since 1982.

CITY AND COUNTY OF SAN FRANCISCO
PROPERTY TAX LEVIES AND COLLECTIONS(1)(2)

Last Ten Fiscal Years

(In Thousands)

<u>Fiscal Year</u>	<u>Total Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percent of Levy Collections</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>	<u>Percent of Total Tax Collections to Tax Levy</u>	<u>Outstanding Delinquent Taxes</u>	<u>Percent of Delinquent Taxes to Tax Levy</u>
1982	\$239,591	\$230,405	96.2%	\$ 4,595	\$235,000	98.1%	\$26,318	11.0%
1983	266,815	255,142	95.6	7,251	262,393	98.3	30,507	11.4
1984	296,305	285,051	96.2	8,085	293,136	98.9	33,670	11.4
1985	329,422	318,195	96.6	6,895	325,090	98.7	34,190	10.4
1986	367,832	354,105	96.3	9,865	363,970	99.0	34,767	9.4
1987	395,861	383,661	96.9	9,051	392,712	99.2	32,019	8.1
1988	427,227	414,407	97.0	10,084	424,491	99.4	34,755	8.1
1989	460,380	445,445	96.8	10,015	455,460	98.9	35,291	7.7
1990	504,770	485,106	96.1	12,233	497,339	98.5	40,573	8.0
1991	<u>545,807</u>	<u>525,131</u>	<u>96.2</u>	<u>13,419</u>	<u>538,550</u>	<u>98.7</u>	<u>47,070</u>	<u>8.6</u>

Notes:

- (1) Includes San Francisco Unified School District, San Francisco Community College District, Bay Area Rapid Transit District, Bay Area Air Quality Management District and San Francisco Redevelopment Agency.
- (2) Does not include SB-813 supplemental property taxes which started in FY 1983-84.

CITY AND COUNTY OF SAN FRANCISCO
ASSESSED VALUE OF TAXABLE PROPERTY(1)
Last Ten Fiscal Years
(In Thousands)

Fiscal Year	Assessed Value			Exclusions (2)			Assessed Values Less Exclusions	Net Increase	
	Real Property	Personal Property	Total	Non-Reimbursable	Reimbursable	Redevelopment Tax Increments		Amount	Percentage
1982	\$20,121,201	\$1,116,260	\$21,237,461	\$ 920,752	\$674,682	—	\$19,642,027	\$1,969,867	11.1%
1983	22,927,325	1,389,202	24,316,527	892,145	675,386	—	22,748,996	3,106,969	15.8
1984	25,860,965	1,465,453	27,326,418	1,033,477	673,139	\$ 162,031	25,457,771	2,708,775	11.9
1985	29,016,181	1,565,417	30,581,598	1,099,514	672,723	225,065	28,584,296	3,126,525	12.3
1986	31,970,466	1,660,966	33,631,432	1,076,052	675,954	364,195	31,515,231	2,930,935	10.3
1987	35,494,479	2,073,048	37,567,527	1,128,424	678,295	545,121	35,215,687	3,700,456	11.7
1988	38,223,024	2,706,877	40,929,901	1,278,326	679,707	1,086,489	37,885,379	2,669,692	7.6
1989	41,471,587	2,974,647	44,446,234	1,284,280	678,845	1,196,806	41,286,303	3,400,924	9.0
1990	45,535,945	2,577,612	48,113,557	1,312,989	673,206	1,212,645	44,914,717	3,628,414	8.8
1991	49,494,829	2,960,356	52,455,185	1,407,351	688,768	1,273,448	49,085,618	4,170,901	9.3

Notes:

- (1) Assessed value (full cash value) of taxable property represents all property within the City. The maximum tax rate is 1% of the full cash value or \$1/\$100 of the assessed value, excluding the tax rate for debt service.
- (2) Exclusions are summarized as follows:
 - a) Non-reimbursable exemptions are revenues lost to City because of provisions of California Constitution, Article XIII(3).
 - b) Reimbursable exemptions arise from Article XIII(25) which reimburses local governments for revenues lost through the homeowners' exemption in Article XIII(3)(k).
 - c) Tax increments are allocations made to the San Francisco Redevelopment Agency under authority of California Constitution, Article XVI. Actual allocations are limited under an indebtedness agreement between the City and the Redevelopment Agency.

CITY AND COUNTY OF SAN FRANCISCO
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
Last Ten Fiscal Years

Fiscal Year	City and County of San Francisco				San Francisco Unified School District	San Francisco Community College District	Bay Area Air Quality Management District	Bay Area Rapid Transit District	Total
	General Fund	Special Revenue Fund	Debt Service Funds	Total					
1982	80963287	.025000	.11085700	.94548987	.14160404	.02479542	.00208539	.07602528	1.1900
1983	87515654	.025000	.09881451	.99897105	.08537406	.01444422	.00208539	.06912528	1.1700
1984	87515654	.025000	.08041369	.98057023	.08487488	.01444422	.00208539	.06802528	1.1500
1985	87515654	.025000	.07550000	.97565654	.08428859	.01444422	.00208539	.06352528	1.1400
1986	87515654	.025000	.08260370	.98276024	.08358487	.01444422	.00208539	.05712528	1.1400
1987	87515654	.025000	.06199807	.96215461	.08289050	.01444422	.00208539	.04842528	1.1100
1988	87515654	.025000	.05541626	.95557280	.08257231	.01444422	.00208539	.04532528	1.1000
1989	87515654	.025000	.04763229	.94778883	.08215628	.01444422	.00208539	.04352528	1.0900
1990	87515654	.025000	.05343897	.95359551	.08164960	.01444422	.00208539	.03822528	1.0900
1991	87515654	.025000	.06063587	.96079241	.08135270	.01444422	.00208539	.03132528	1.0900

CITY AND COUNTY OF SAN FRANCISCO
RATIO OF NET GENERAL BONDED DEBT TO
FULL CASH VALUE AND NET BONDED DEBT PER CAPITA

Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Full Cash Value (2) (3)</u>	<u>Gross Bonded Debt (2) (4)</u>	<u>Debt Service Monies Available (2)</u>	<u>Debt Payable from Enterprise Revenue (2)</u>	<u>Net General Bonded Debt (2)</u>	<u>Ratio of Net General Bonded Debt to Full Cash Value</u>	<u>Net General Bonded Debt Per Capita</u>
1982	691,924	\$20,316,709	\$ 652,150	\$ 33,679	\$500,025	\$118,446	.58%	\$171.18
1983	705,652	23,424,382	738,678	44,024	574,394	120,260	.51	170.42
1984	706,924	26,130,910	796,330	75,129	618,511	102,690	.39	145.26
1985	719,154	29,482,084	885,356	92,089	707,662	85,605	.29	119.04
1986	741,568	32,191,185	1,000,545	103,689	826,981	69,875	.22	94.23
1987	742,681	35,893,982	962,550	101,092	761,468	99,990	.28	134.63
1988	741,250	38,565,086	959,702	93,479	751,543	114,680	.30	154.71
1989	731,693	41,965,148	1,170,817	90,668	877,537	202,612	.48	276.91
1990	726,962	45,587,923	1,241,588	99,176	924,648	217,764	.48	299.55
1991	726,710	49,774,386	1,462,569	226,679	845,598	390,292 (5)	.78	537.07

Notes:

- (1) Source—State of California, Department of Finance.
- (2) In thousands.
- (3) Includes all taxable property within the City and County of San Francisco, less properties subject to non-reimbursable exemptions and Redevelopment tax increments.
- (4) Excludes San Francisco Redevelopment Agency revenue bonds and nonprofit corporation obligations. Amounts are exclusive of bond discount or premium.
- (5) Includes \$11.8 million in water and power bonds and \$30.7 million in sewer and water pollution control bonds—see notes 5 and 9(c) to the combined financial statements.

**CITY AND COUNTY OF SAN FRANCISCO
COMPUTATION OF LEGAL DEBT MARGIN**

June 30, 1991

(In Thousands)

Total full cash value		\$52,455,185
Less: Non-reimbursable exemptions and Redevelopment tax increments		<u>2,680,799</u>
Basis of levy		<u><u>\$49,774,386</u></u>
Debt limit—3 percent of valuation subject to taxation		\$ 1,493,232
Amount of debt applicable to debt limit	\$394,565	
Less: Net assets in General Obligation Bonds Fund	<u>4,273</u>	
Net general bonded debt	390,292	
Other deductions allowed by law (1):		
Bonded indebtedness—Water/Hetch Hetchy and		
Clean Water Program	<u>42,525</u>	
Total amount of debt applicable to debt limit		<u>347,767</u>
Legal debt margin		<u><u>\$ 1,145,465</u></u>

Note:

- (1) Charter Section 6.401 Limitations on Bonded Indebtedness.

“(a) ... Bonded indebtedness heretofore or hereafter created for water supply, storage or distribution purposes ... shall be exclusive of the limitations on the amount of bonded indebtedness of the City and County ...”.

CITY AND COUNTY OF SAN FRANCISCO
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
June 30, 1991

<u>Jurisdiction</u>	<u>Total General Debt Outstanding</u>	<u>Percent Applicable to City and County of San Francisco</u>	<u>Amount Applicable to City and County of San Francisco</u>
City and County of San Francisco	\$394,565,000	100.00%	\$394,565,000
Bay Area Rapid Transit District.....	315,400,000	30.99%	97,727,636
Total			<u>\$492,292,636</u>
Population—1991			726,710
Per Capita Direct and Overlapping Debt			<u>\$ 677.43</u>

**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR
GENERAL BONDED DEBT TO TOTAL GENERAL EXPENDITURES (1) (2)**

Last Ten Fiscal Years
(In Thousands)

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Total General Expenditures</u>	<u>Ratio of Debt Service to Total General Expenditures</u>
1982	\$17,572	\$ 6,585	\$24,157	\$ 782,654	3.1%
1983	16,751	5,758	22,509	820,219	2.7
1984	17,570	6,268	23,838	833,912	2.8
1985	17,085	5,361	22,446	940,382	2.4
1986	18,235	5,616	23,851	961,448	2.5
1987	18,200	6,395	24,595	1,060,315	2.3
1988	16,340	6,682	23,022	1,109,991	2.1
1989	10,720	9,454	20,174	1,135,877	1.8
1990	14,240	13,231	27,471	1,262,996	2.2
1991	<u>13,635</u>	<u>14,521</u>	<u>28,156</u>	<u>1,392,204</u>	<u>2.0</u>

Notes:

- (1) Includes General, Special Revenue and Debt Service Funds.
- (2) Includes General Obligation Bonds of Water Department/Hetch Hetchy Project and Clean Water Program as explained in notes 5 and 9(c) and (g) to the combined financial statements.

CITY AND COUNTY OF SAN FRANCISCO
DEBT SERVICE COVERAGE BY ENTERPRISE REVENUES
AIRPORT, PORT, CLEAN WATER(1), MUNICIPAL RAILWAY AND
WATER/HETCH HETCHY(3)

Last Ten Fiscal Years

(In Thousands)

Fiscal Year	Gross Revenue (4)	Direct Operating Expenses (5)	Net Revenue Available for Debt Service	Debt Services Requirements(2)			Debt Service Coverage
				Principal	Interest	Total	
1982.....	\$337,102	\$235,700	\$101,402	\$21,384	\$36,034	\$ 57,418	1.77
1983.....	348,560	243,929	104,631	22,594	34,792	57,386	1.82
1984.....	366,503	281,649	84,854	26,934	48,406	75,340	1.13
1985.....	427,052	336,203	90,849	22,820	51,251	74,071	1.23
1986.....	657,821	532,396	125,425	19,605	66,226	85,831	1.46
1987.....	637,996	536,979	101,017	19,910	64,167	84,077	1.20
1988.....	704,592	570,880	133,712	19,625	63,093	82,718	1.62
1989.....	653,404	526,924	126,480	20,165	67,005	87,170	1.45
1990.....	670,816	543,804	127,012	26,829	74,280	101,109	1.26
1991.....	<u>739,147</u>	<u>601,318</u>	<u>137,829</u>	<u>27,355</u>	<u>79,887</u>	<u>107,242</u>	<u>1.29</u>

Notes:

- (1) In FY 1988-89 and FY 1989-90 operating transfers of \$6.3 million and \$4.6 million, respectively, were made from property tax revenues in the Debt Service Fund to supplement a customer rate increase, to provide for general obligation debt service of the enterprise fund. A similar transfer for \$4.6 million was made in FY 1990-91.
- (2) Covers general obligation and revenue bonds for all indicated enterprise funds. Water Department/Hetch Hetchy Project general obligations bonds are excluded as explained in note 5 and 9(c) to combined financial statements. Similarly, Clean Water Program general obligation bonds are excluded since FY 1985-86 as explained in note 9(g) to combined financial statements.
- (3) Includes Water/Hetch Hetchy due to sale of \$104.4 million Water Department revenue bonds during FY 1985-86. In FY 1987-88, \$106.1 million Water Department revenue refunding bonds were issued thereby defeasing the \$104 million revenue bonds.
- (4) Gross revenue includes operating revenues, non-operating revenues and operating transfers in except transfers directly committed to repayment of general obligation debt service.
- (5) Direct operating expenses include operating expenses (except depreciation), non-operating expenses (except interest expense) and operating transfers out.

CITY AND COUNTY OF SAN FRANCISCO

DEMOGRAPHIC STATISTICS

Last Ten Fiscal Years

Year	Population(1)	Per Capita Income(2)	Median Age(2)	Public School Enrollment(3)	Unemployment Rate(4)
1982	691,924	\$13,377	34.9	56,605	9.5%
1983	705,652	12,883	34.9	61,090	9.2
1984	706,928	13,077	34.9	61,433	7.8
1985	719,154	14,321	35.0	67,399	6.4
1986	741,568	15,945	35.2	68,803	5.7
1987	742,681	17,311	35.5	69,169	5.1
1988	741,250	18,806	35.8	68,540	4.4
1989	731,693	18,409	36.1	67,132	4.2
1990	726,962	20,158	36.4	66,589	3.9
1991	726,710	20,870	36.0	66,368	4.7

- Sources: (1) State Department of Finance
 (2) Sales and Marketing Management—1991 Survey of Buying Power
 (3) San Francisco Unified School District (includes Child Center, Juvenile Court School, etc.)
 (4) State Department of Employment Development

CONSTRUCTION, BANK DEPOSITS AND PROPERTY VALUE

Last Ten Fiscal Years

Year Ended	Authorized New Dwelling Units	Value of Building Permits(1)		Bank Deposits(1)(4)	Real Property Values(1)(2)		
		Residential	Nonresidential		Residential	Nonresidential	Nontaxable
1982	1,215(3)	\$190,243(3)	\$853,880(3)	\$35,716,615	\$10,899,568	\$ 9,221,633	\$ 920,753
1983	1,167(3)	175,188(3)	825,476(3)	32,801,189	12,217,054	10,710,271	892,145
1984	1,313(3)	188,297(3)	674,381(3)	26,760,998	12,945,768	11,935,383	979,814
1985	1,096(5)	228,114(5)	522,011(5)	24,222,093	15,235,325	12,236,232	1,099,514
1986	1,427(5)	306,217(5)	731,048(5)	35,229,579(6)	16,501,324	13,899,210	1,100,000
1987	2,565(5)	420,842(5)	442,256(5)	32,576,614(6)	18,111,261	15,319,912	1,285,585
1988	2,439(5)	348,821(5)	593,005(5)	35,227,013(6)	19,835,823	16,704,566	1,329,366
1989	1,924(5)	364,253(5)	429,971(5)	34,916,971(6)	23,478,469	22,162,707	1,315,761
1990	1,013(5)	295,998(5)	523,083(5)	35,410,949(6)	25,878,511	23,845,436	1,369,596
1991	836(5)	282,766(5)	486,170(5)	N/A	27,270,084	22,653,997	1,455,699

N/A—Not available.

Note: (1) In thousands.

Source: (2) Assessor, City and County of San Francisco (excludes State Board Roll).

(3) Security Pacific National Bank, Economic Research Division (calendar year basis).

(4) State Banking Department.

(5) Department of Public Works—Central Permit Bureau, City and County of San Francisco (fiscal year basis).

(6) Includes savings and loan deposits.

CITY AND COUNTY OF SAN FRANCISCO

PRINCIPAL TAXPAYERS

June 30, 1991

<u>Taxpayer</u>	<u>Type of Business</u>	<u>1991 Assessed Valuation (In 000's)</u>	<u>Percentage of Total Assessed Valuation</u>
Pacific Bell	Utilities, Communications	\$ 1,172,671	2.30%
Pacific Gas & Electric Company ..	Utilities	1,167,694	2.29
555 California Street Partners	Office, Commercial	728,692	1.43
Embarcadero Center (Includes Hyatt Regency Hotel and Embarcadero West)	Office, Commercial, Hotel	687,357	1.35
Marriot Hotel	Hotel	328,460	.64
Post Montgomery Associates (formerly Crocker Center)	Office, Commercial	307,602	.60
Viacom Cablevision	Cable TV, Possessory Interest, Personal Property	261,904	.51
101 California	Office, Building	241,797	.47
333 Bush	Office, Commercial & Residential	206,703	.41
Stonestown	Office, Commercial & Residential	196,357	.38
	Ten largest taxpayers	5,299,237	10.38
	All other taxpayers	45,748,597	89.62
	Taxable assessed valuation— all taxpayers	<u>\$51,047,834</u>	<u>100.00%</u>

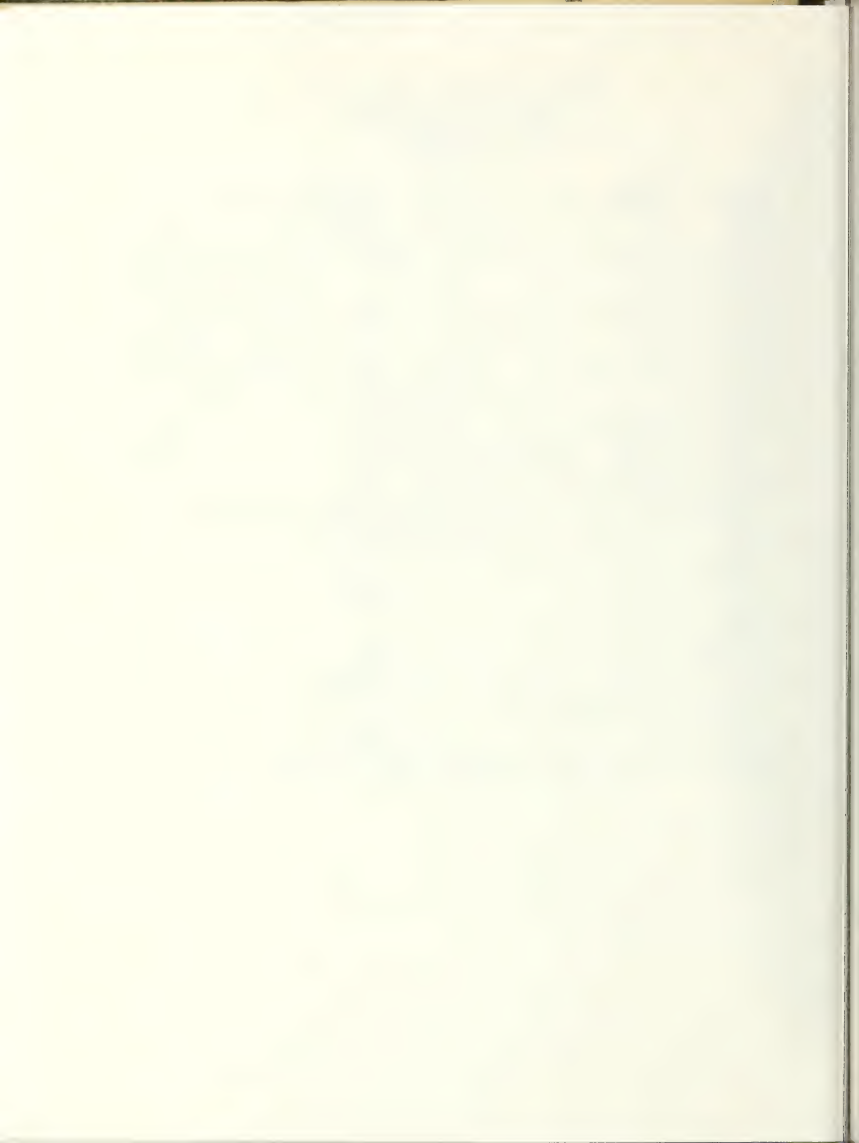
CITY AND COUNTY OF SAN FRANCISCO

MISCELLANEOUS STATISTICS

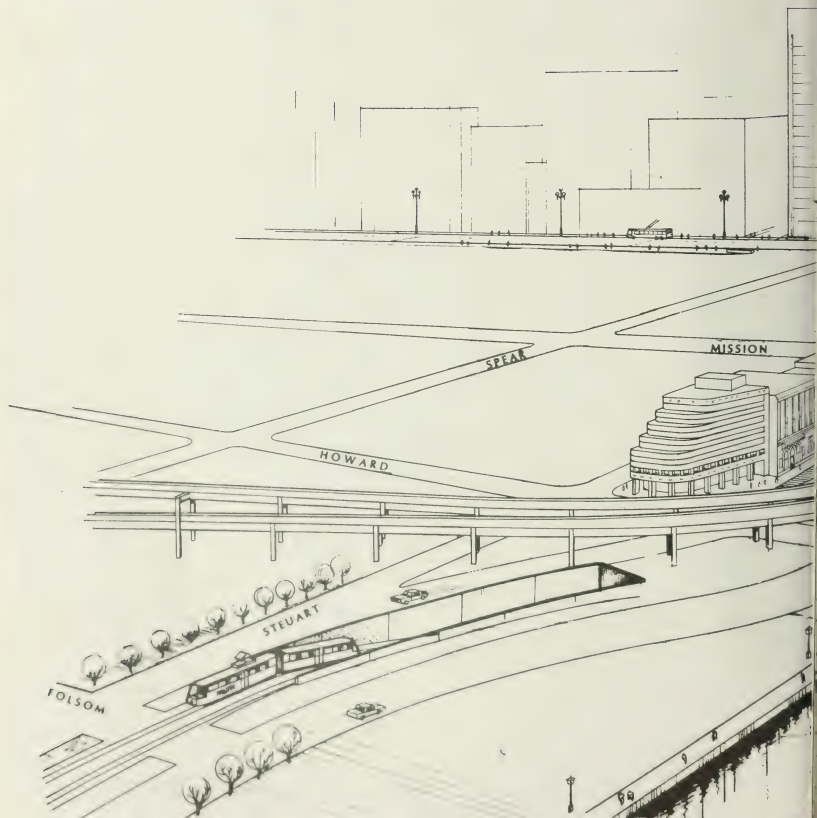
June 30, 1991

Date of incorporation	April 15, 1850
Form of government	Chartered City and County
Area	46.1 square miles
Miles of streets	850.4 miles
Number of street lights	38,609
Fire protection:	
Number of stations	41
Number of firefighters	1,511
Police protection:	
Number of stations	9
Number of police officers	1,829
Education (K-12):	
Attendance centers	109
Number of classrooms	3,130
Number of teachers	3,733
Number of students	61,528
Municipal water department:	
Number of services	180,617
Average daily consumption	207.8 million gallons per day(1)
Miles of water mains	1,240 miles
Sewers:	
Collecting sewers	748 miles
Transport sewers	150 miles
Authorized new dwelling units	836
Recreation and culture:	
Number of parks	219
Number of libraries	28
Number of library volumes	2,034,336
Employees (including police and fire):	
Classified service	23,357
Exempt	2,665

(1) Includes 138.6 million gallons per day consumed by suburban water users.



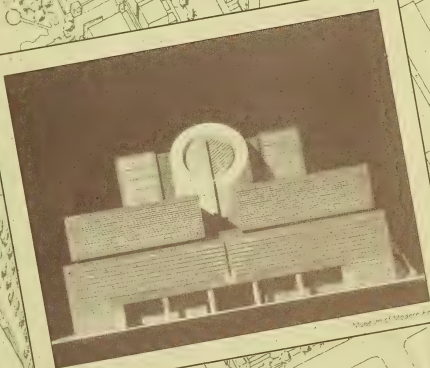
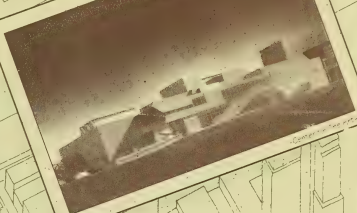




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**COMPREHENSIVE
ANNUAL
FINANCIAL
REPORT
CITY AND COUNTY
OF SAN FRANCISCO CALIFORNIA**



**FOR THE YEAR ENDED
JUNE 30, 1992**

Architectural Plans For Yerba Buena Center

Yerba Buena Center

An 87-acre redevelopment project area and one of the largest and most complex redevelopment plans in the country. It includes Moscone Convention Center with the largest convention center ballroom on the West Coast and a major hotel. It also will include a performing and visual arts center, 12,000 units of subsidized housing, mostly for the elderly, and 700 "market rate" living units. In addition, a 200,000 square foot, privately funded Museum of Modern Art will be built by 1995.



CITY AND COUNTY OF SAN FRANCISCO, CALIFORNIA

Comprehensive Annual Financial Report

Year ended June 30, 1992



Prepared by:
Office of the Controller

A handwritten signature in dark ink, appearing to read "Edward Harrington", is written over a horizontal line.

Edward Harrington
Controller

CITY AND COUNTY OF SAN FRANCISCO

Comprehensive Annual Financial Report Year ended June 30, 1992

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November 4, 1992

The Honorable Mayor and the Honorable
Board of Supervisors
City and County of
San Francisco, California

I am pleased to present the Comprehensive Annual Financial Report (CAFR) of the City and County of San Francisco, California (the City) for the fiscal year ended June 30, 1992 with the independent auditors' report, submitted in compliance with City Charter Sections 3.302, 3.303, and 3.305 and California Government Code Sections 25250 and 25253. The CAFR has been prepared by the Controller's Office in conformance with the principles and standards for financial reporting set forth by the Governmental Accounting Standards Board (GASB). Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. I believe that the data, as presented, is accurate in all material respects; that its presentation fairly shows the financial position and the results of the City's operations as measured by the financial activity of its various funds; and that the included disclosures will provide the reader with a full understanding of the City's financial affairs.

Our Comprehensive Annual Financial Report is divided into three sections:

The Introductory Section includes information about the organizational structure of the City, its accounting and budgetary systems, and fund structure. It also has summarized data reflecting the financial condition of the City including an analysis of general government operations, enterprise operations, and debt administration.

The Financial Section is prepared using the pyramid approach prescribed by the GASB. It includes the General Purpose Financial Statements presenting the combined statements as an overview of the City's entire financial operations. Next, combining and individual fund and account group statements present each of the material separate funds and account groups of the City. Schedules provide certain other information and details of data summarized in the financial statements. The statements and schedules included in this section pertain to those operations which, when taken together, make up the reporting entity of the City. Also included in this section is the Independent Auditors' Report on the financial statements and schedules.

The Statistical Section includes tables containing historical financial data, debt statistics, and miscellaneous social and economic data of the City that are of interest to potential investors in our bonds and to other readers. The data includes ten-year revenue and expenditure information on an inflation adjusted basis.

THE REPORTING ENTITY AND ITS SERVICES

This CAFR includes all component units, funds and account groups of the City as described in notes 1 and 2 to the combined financial statements. We considered the oversight responsibility of the Mayor and the Board of Supervisors and the scope of public service in determining those departments, agencies, commissions, boards, activities, and functions whose financial information should be included

Office of Controller

in the CAFR. Oversight responsibility includes the ability to significantly influence operations, select the governing authority, designate management and participate in fiscal management. The general governmental funds provide a full range of services, including all the functions delegated to cities and counties under state law. (See the organization chart on page xiv for a comprehensive listing.) Included also are the enterprise operations of San Francisco International Airport, San Francisco General Hospital Medical Center, Laguna Honda Hospital, Port of San Francisco, Clean Water Program, Water Department / Hetch Hetchy Project, and Municipal Railway and Municipal Railway Improvement Corporation; the operations of ten nonprofit corporations associated with the City; the operations of the San Francisco County Transportation Authority; the operations of the San Francisco Redevelopment Agency and its Financing Authority; and the operations of the Employees' Retirement System and Health Service System.

The San Francisco Unified School District, San Francisco Community College, San Francisco Housing Authority, and Private Industry Council of San Francisco were not included because they have only limited relationships with the City. The City is represented in two regional agencies, the Bay Area Rapid Transit District (BART), and the Bay Area Air Quality Management District (BAAQM) which are also excluded from the City's reporting entity.

SAN FRANCISCO'S ECONOMY

During the 1991-92 fiscal year, San Francisco's economy demonstrated relative strength in the face of a deep State and national recession. The number of jobs in San Francisco fell 0.3% in fiscal 1992, compared with a statewide decline of 1.6%. San Francisco's unadjusted unemployment rate for July 1992 was 6.0%, the lowest among California metropolitan areas, and well below the State's overall unemployment rate of 9.3%.

Total visitor spending rose 2.3% in calendar 1991, led by a 4.5% increase in convention related expenditures. The City's 1992 per capita income is projected to grow to \$29,010, a 3.5% increase from 1991.

Passenger traffic at San Francisco International Airport (SFO) also increased, boosting SFO's national ranking from the sixth busiest airport in the nation to fifth, and seventh internationally. Total cargo handled by SFO grew 3.5% sustaining SFO's rank as the fifth busiest cargo airport in the nation.

San Francisco's office vacancy rate for 1992 averaged around 11%, well below the national average of about 18%. Sublease space has declined from a high of 20% of total available space in the second quarter of 1991 to 13% in June, 1992.

While San Francisco and the Bay Area's economy is still strong, the recession has had an impact. Taxable retail sales for both San Francisco and the State fell approximately 2.5% from fiscal 1991 to 1992. Growth in the assessed value of taxable real property slowed to 5.4% in 1992 from the 9.3% rate in 1991. General Fund revenue on a budget basis was 7% higher than in 1991 due in large part to increased State and Federal grants and subventions in the Health and Welfare area, but was still \$90 million less than projected for fiscal 1992.

After two years of disappointing revenue results and reflecting the continuing stagnant economy and State budget cuts, the 1992-93 current budget projects a conservative 1.3% growth in General Fund revenues. Considering the minor revenue increases, the 1992-93 budget maintains all basic services and provides for a \$9 million contingency reserve.

MAJOR INITIATIVES

With \$2.5 billion of City-sponsored public works under construction or in design, San Francisco has an agenda of public works projects unmatched in the nation. The City is pursuing a conscious strategy of

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accelerating public works on the drawing board to take advantage of favorable cost conditions and to boost public construction spending to take up some of the slack in private construction activity. These projects include a \$2 billion expansion of San Francisco International Airport, and significant additions and renovations to our major cultural facilities — a 50% expansion of the California Legion of Honor Museum, a new Main Library, and the Yerba Buena Cultural Center and Gardens. In FY 1992, San Francisco completed the expansion of Moscone Convention Center, and our premier convention facility is 60% booked through the year 2000.

Also underway are more than \$200 million in transportation projects, such as the Muni Metro turnaround, the extension of Muni Metro along The Embarcadero to Mission Bay, and the new F streetcar line that traverses the length of Market Street and The Embarcadero to Fisherman's Wharf.

Major Federal and private construction projects also are underway. The Federal courts are renovating the historic Court of Appeals building at Seventh & Mission Streets at a cost of \$97 million, and the Federal government has announced it will spend \$120 million to build a major new Federal office building at Tenth and Market Streets on land donated by the City. Construction has begun on the privately financed new Museum of Modern Art building, and the University of California San Francisco will develop a \$300 million comprehensive cancer care center at its Mt. Zion campus.

ACCOUNTING AND BUDGETING SYSTEMS

The City's financial picture is more readily understood with a general introduction to our accounting and budgeting systems. These systems provide the means for allocation of available resources and for the proper control and recording of revenues and expenditures.

The City's accounting records are maintained on a modified accrual basis for all governmental fund types and expendable trust and agency funds. Using this basis, expenditures other than interest on long-term debt are recorded when the liabilities are expected to be liquidated within the next year, and revenues are recorded when susceptible to accrual; that is, when both measurable and available. All other funds use the accrual basis where transactions are recognized when they occur, regardless of the timing of the related cash flow. Note 2 describes the City's significant accounting policies.

As part of our ongoing effort to maintain fiscal stewardship and financial accountability, the City uses a fully computerized Financial Accounting Management Information System (FAMIS). Modifications and enhancements have been made continuously to FAMIS to keep abreast of changing accounting techniques and principles. FAMIS is based on the single transaction concept of processing, where all relevant files and reports are updated from a single input of information. Lookup tables are used to conform all accounting and classification treatments and may be changed by simple file maintenance initiated by the Controller's Office. Thus structured, FAMIS provides:

- (1) General and subsidiary accounting of all funds.
- (2) Appropriation accounting for all budgeted items.
- (3) Object-of-expenditure control.
- (4) Departmental cost and operating accounting.
- (5) Function and program accounting.
- (6) Project cost accounting.
- (7) Integrated Treasury management for pooled cash.

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In developing and evaluating the City's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within the above framework. We believe that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

The City's budget is a detailed operating plan which identifies estimated costs and results in relation to estimated revenues. The budget includes (1) the programs, projects, services, and activities to be carried on during the fiscal year, (2) the estimated revenue available to finance the operating plan, and (3) the estimated spending requirements of the operating plan. The budget represents a process where policy decisions by the Mayor and Board of Supervisors are made, implemented, and controlled. Note 2(d) to the CAFR summarizes the budgetary roles of various City officials and the timetable for their various budgetary actions according to the City Charter.

FINANCIAL SUMMARY

The following describes the significant financial highlights of the City's operations for the year ended June 30, 1992.

General Government Functions

The general government functions are contained in the General, Special Revenue and Debt Service Funds. These funds account for the major portion of the City's operating revenues and expenditures. Revenues for general government functions totaled approximately \$1,670 million in fiscal year 1992, an increase of approximately 7.4% from fiscal year 1990-91. The following table presents the amount of revenues from various sources as well as increases or decreases from the prior year.

Revenues Classified by Source General, Special Revenue, and Debt Service Funds (In Thousands)

Revenues by Source	Amount	% of Total	Increase / (Decrease) Over FY 90-91	
			Amount	% of Change
Property taxes	\$ 517,312	31.0%	\$ 33,425	6.9%
Business taxes	142,458	8.5	(14,313)	(9.1)
Other local taxes	272,548	16.3	(29)	—
Grants, subventions and other allocations	540,639	32.3	90,234	20.0
Licenses, fines, and penalties	56,377	3.4	6,155	12.3
Interest and investment earnings	30,177	1.8	(1,357)	(4.3)
Charges for services	96,551	5.8	3,647	3.9
Other	14,375	0.9	(2,870)	(16.6)
Total	<u>\$1,670,437</u>	<u>100.0%</u>	<u>\$114,892</u>	<u>7.4%</u>

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Property tax revenues increased 6.9% (\$33.4 million), of which \$17.1 million is attributable to growth in the City's assessed valuations. Increased debt service requirements for general obligation bonds added \$16.3 million. Business tax revenues dropped \$14.3 million, reflecting a full year's impact of the business tax rate reduction effective July 1990. Grants, subventions and other allocations increased by 20.0%: the City is receiving two new sources of revenue to fund health and welfare programs as part of the State's realignment package. Realignment revenue totaled \$114.4 million in FY 91-92.

Expenditures Classified by Major Service Area General, Special Revenue, and Debt Service Funds (In Thousands)

Expenditure by Major Service Area	Amount	% of Total	Increase / (Decrease) Over FY 90-91	
			Amount	% of Change
Public protection	\$ 455,007	31.7%	\$ (17,908)	(3.8)%
Public works, transportation, and commerce	96,931	6.7	14,026	16.9
Human welfare and neighborhood development	316,645	22.1	11,828	3.9
Community health	232,352	16.2	37,566	19.3
Culture and recreation	115,369	8.0	(4,969)	(4.1)
General administration and finance	154,389	10.8	6,929	4.7
Debt service:				
Principal retirement	21,010	1.5	(18,350)	(46.6)
Interest and fiscal charges	43,817	3.0	14,194	47.9
Total	<u>\$1,435,520</u>	<u>100.0%</u>	<u>\$ 43,316</u>	<u>3.1%</u>

Expenditures for Public Works, Transportation and Commerce increased 16.9%. This growth is due mainly to increased activity in the Parking and Traffic Commission's second full year of operations. During FY 1991-92, 30 parking control officers were hired with the intention of generating more revenue for the City.

Human Welfare and Neighborhood Development expenditures increased \$11.8 million. This growth consists largely of a \$9 million increase in the Department of Social Services' aid payments for General Assistance and other programs.

Community Health expenditures increased \$37.6 million, mostly for mental health services which were accompanied by increased revenues. In FY 1991-92, State realignment legislation increased mental health funding by \$26.1 million, and shifted two state-run programs to the City level, resulting in an equivalent \$26.1 million expenditure increase. In addition to the realignment changes, substance abuse services formerly funded directly by the State were shifted to the City, resulting in new revenues and expenditures of \$4.5 million.

General administration and finance expenditures increased \$6.9 million. The City's net payout of vested vacation and sick pay due to Proposition A for the Early Retirement program approximated \$4 million. Settlement of several major claims in FY 1991-92 also contributed to the increase.

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Enterprise Operations

The public service enterprise operations are financed and operated similarly to private businesses. Costs (including depreciation) of providing services to the general public are recovered in whole or in part through user charges. The following table shows actual revenues, expenses and results of operations for the current fiscal year (in thousands):

	Operating Revenues	Operating Expenses	Operating Income (Loss)	Non- Operating Revenues (Expenses)	Net Operating Transfers In (Out)	Net Income (Loss)
Airport	\$162,266	\$ 125,360	\$ 36,906	\$(12,675) *	\$(14,174)	\$ 10,057
Port	33,982	29,771	4,211	(2,236)	—	1,975
Water/Hetch Hetchy ...	164,988	140,240	24,748	(8) *	(11,000)	13,740
Municipal Railway	84,475	298,796	(214,321)	71,552	119,250	(23,519)
Laguna Honda Hospital	83,483	92,428	(8,945)	—	8,235	(710)
General Hospital	165,907	274,582	(108,675)	14,217	89,431	(5,027)
Clean Water	85,998	77,368	8,630	(16,016)	4,632	(2,754)
Parking Garages/Other	16,235	11,309	4,926	(462)	(2,189)	2,275
Total	<u>\$797,334</u>	<u>\$1,049,854</u>	<u>\$(252,520)</u>	<u>\$ 54,372</u>	<u>\$194,185</u>	<u>\$(3,963)</u>

* Including extraordinary items as explained in note 7 to the financial statements.

Pension Trust Fund Operations

The City has a defined benefit retirement plan in which substantially all full-time employees participate. The plan's most recent actuarial calculations, as of June 30, 1991, estimate an unfunded pension benefit obligation of \$786 million. The City's Charter requires full funding by June 30, 2000. Historical trend information (note 8) shows steady progress in meeting that requirement.

A Charter amendment (Proposition A) was approved by the voters in the November 5, 1991 election providing for an early retirement program for General members of the retirement plan. Under the program, three years of age and three years of service were added when calculating the service retirement benefits for all members who elect to retire during February and March, 1992. Approximately 1,800 City employees retired under the program.

Debt Administration

The City's ratio of net bonded debt to taxable valuation and the amount of bonded debt per capita are useful indicators of our debt position to management, citizens, and investors. A comparison of these indicators follows:

	1992	1991
Net tax supported bonded debt	\$528,140,000	\$390,292,000
Net bonded debt per capita	724.74	537.07
Ratio of net bonded debt to taxable valuation	1.01%	.78%
Tax rate per \$100 taxable valuation	.09	.06

As of June 30, 1992, the City had \$528.5 million in authorized, outstanding property tax-supported general obligation bonds. Remaining authorized, unissued general obligation bonds totaled \$250.6 million. Our current ratings on general obligation bonds are:

Moody's Investors Service, Inc.	Aa
Standard and Poor's Corporation	AA
Fitch Investors Service, Inc.	AA

Office of Controller

The City is also responsible for collecting taxes to pay a portion of general obligation debt of the Bay Area Rapid Transit District (BART). The City taxpayers are responsible for \$85.8 million or approximately 30.6% of BART outstanding debt.

Cash Management

The City's pooled deposits and investments are invested pursuant to policy established by the Treasurer which seeks preservation of capital, liquidity and yield, in that order of priority. The policy addresses soundness of financial institutions holding our assets and the types of investments permitted by the California Government Code. The earned yield for the current fiscal year was 7.8%. The Employees' Retirement Systems and the Redevelopment Agency deposits and investments are maintained outside the City Treasury and follow policies established by their respective governing boards.

Risk Management

With few exceptions, the City does not purchase commercial insurance against property, liability or workers' compensation risks. The major enterprise fund departments (Airport, Municipal Railway, Water/Hetch Hetchy and Port), whose uninsured losses must be paid from their own revenues, account for 90% of insurance purchased by the City. The balance of insurance is purchased by the General Fund for departments as required by bond financing and for art at City-owned museums. The City's insurance/self-insurance program is reviewed annually in the budget process.

The City self insures for workers' compensation claims. A portion of the estimated cost is allocated to each department according to a formula which considers claims payment history (experience) and payroll (exposure). This increases the visibility of workers' compensation issues in each department, and creates financial accountability in General Fund departments. In order to better control the costs of workers' compensation, the Risk Management Office is working with interested departments to develop workers' compensation programs tailored to the needs of each department. The programs focus on accident prevention, investigation and a return-to-work modified duty program.

Fund Balances

At June 30, 1992, the City had a \$78.5 million deficit in its General Fund unreserved-undesignated fund balance, as determined under generally accepted accounting principles, which reflects accrued liabilities of \$70.6 million for incurred liabilities (primarily claims litigation, workers' compensation liability and accrued vacation and sick leave pay) which will be budgeted and paid in fiscal year 1992-93. General Fund reserved fund balances include \$4.0 million reserved by ordinance but which require appropriations for actual expenditure as described in note 3 to the combined financial statements, and \$5.2 million for appropriations which had been made but where specific commitments or expenditures had not yet occurred. Accordingly, these appropriations have been carried forward to fiscal year 1992-93.

As explained in note 3, the City prepares its budget on an accounting basis different from generally accepted accounting principles. The unappropriated budgetary fund balance at June 30, 1992 was \$0.1 million. The fiscal year 1992-93 General Fund budget established budgetary reserves of \$33.3 million.

At June 30, 1992, the Special Revenue and Capital Projects fund types had unreserved fund balances of \$238.7 million and reserves for appropriations carried forward of \$295.3 million, as presented in the accompanying combined financial statements. These fund balances may be used only for specific purposes.

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INDEPENDENT AUDIT

The City's Charter requires an annual audit of the Controller's records. These records, represented in the Comprehensive Annual Financial Report, were audited by a consortium headed by the nationally recognized certified public accounting firm, KPMG Peat Marwick. The various enterprise funds, the Employees' Retirement System, the Health Service System, the San Francisco County Transportation Authority and the Redevelopment Agency were separately audited.

The report from the consortium of independent auditors, KPMG Peat Marwick, Williams, Adley and Company and Chek F. Tan (representing a separate consortium known as Associated Asian CPA Firms), on our current financial statements is presented in the Financial Section.

CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 1991. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

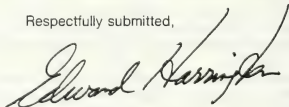
In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized CAFR, whose contents conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City has received a Certificate of Achievement for the last nine consecutive years (fiscal years ended June 30, 1983-1991). We believe our current report continues to conform to Certificate of Achievement program requirements, and we are submitting it to GFOA.

ACKNOWLEDGEMENTS

I would like to express my appreciation to the entire staff of the Controller's Office whose professionalism, dedication and efficiency are responsible for the timely preparation of this report. I would like to thank KPMG Peat Marwick for their invaluable professional assistance. Finally, I thank the Mayor, the Board of Supervisors and the Audit Advisory Committee for their continued interest and unfailing support in planning and conducting the City's financial operations in a responsible and progressive manner.

Respectfully submitted,



Edward Harrington
Controller

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City and County of San Francisco,
California

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 1991

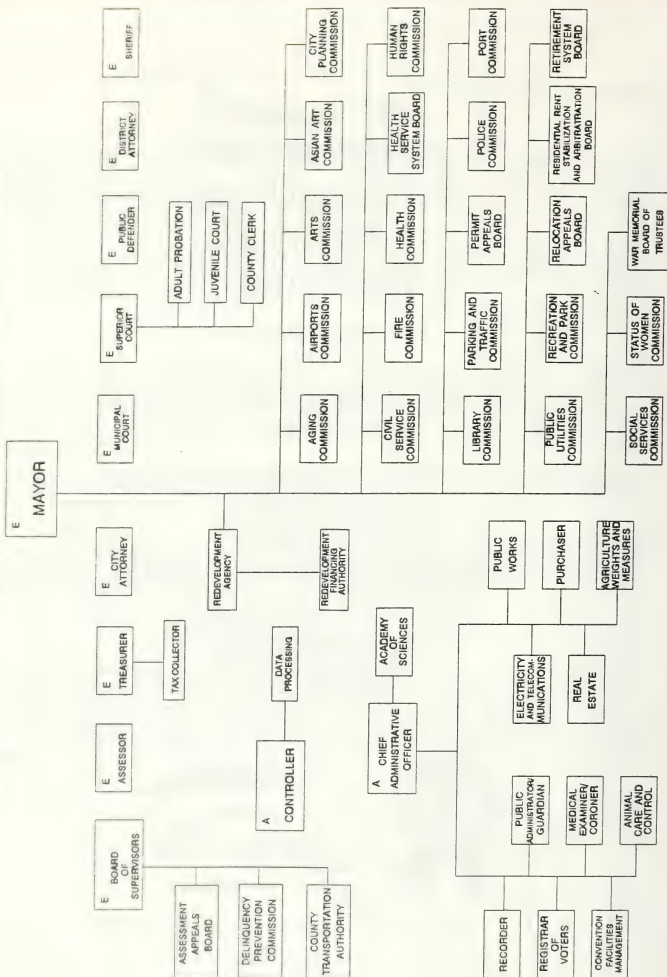
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

San Francisco City and County Government



CITY AND COUNTY OF SAN FRANCISCO

List of Principal Officials as of June 30, 1992

ELECTED OFFICIALS

Mayor	Frank Jordan
Board of Supervisors:	
President	Kevin Shelley
Supervisor	Roberta Achtenberg
Supervisor	Angela Alioto
Supervisor	Harry G. Britt
Supervisor	Annemarie Conroy
Supervisor	Jim Gonzalez
Supervisor	Terence Hallinan
Supervisor	Tom Hsieh
Supervisor	Willie B. Kennedy
Supervisor	Bill Maher
Supervisor	Carole Migden
Assessor	Doris M. Ward
City Attorney	Louise H. Renne
District Attorney	Arlo Smith
Public Defender	Jeff Brown
Sheriff	Michael Hennessey
Treasurer/Tax Collector	Mary Callanan
Superior Court (29 Departments)	
Presiding Judge	Edward Stern
Municipal Court (20 Departments)	
Presiding Judge	Joseph Desmond

APPOINTED OFFICIALS

Chief Administrative Officer	Rudolf Nothenberg
Controller	Edward Harrington

DEPARTMENT DIRECTORS

Chief Adult Probation Officer	Arlene Sauser
Executive Director of Commission on the Aging	David Ishida
Commissioner of Agriculture/Sealer of Weights and Measures	G. Evan Weeth
Director of Airports	Louis A. Turpen
Director of Animal Care and Control	Carl Friedman
Director of Art Commission	Joanne Chow Winship
Director of Asian Art Commission	Rand Castile
Director of California Academy of Sciences	Roy Eisenhardt
Clerk of the Board of Supervisors	John L. Taylor
General Manager of Personnel, Civil Service Commission	Al Walker
Director of Convention Facilities	Jack Moerschbaecher
County Clerk (Acting)	Michael K. Tamony
General Manager of Electricity and Telecommunications	H. Daniel McFarland
Director of Fine Arts Museums	Harry S. Parker III
Fire Chief	Joseph Medina

DEPARTMENT DIRECTORS—(Continued)

Executive Director of Health Service System	Randall B. Smith
Director of Health	Raymond Baxter, Ph.D
Acting Deputy Director for Community Mental Health Services	Florence Stroud
Executive Administrator of San Francisco General Hospital Medical Center	Richard Cordova
Executive Administrator of Laguna Honda Hospital	Anthony Wagner
Executive Director of Human Rights Commission	Edwin Lee
Chief Probation Officer—Juvenile Court	Fred Jordan
City Librarian	Kenneth E. Dowlin
Law Librarian	Marcia Bell
Chief Medical Examiner/Coroner	Boyd G. Stephens, M.D.
Executive Director of Parking and Traffic	Timothy Johnson
Executive Director of Permit Appeals Board	Robert H. Feldman
Director of City Planning	Lucien Blazej
Chief of Police (Acting)	Thomas Murphy
Port Director	Michael P. Huerta
Public Administrator/Public Guardian	Ricardo Hernandez
General Manager of Public Utilities Commission	Thomas J. Elzey
General Manager of Hetch Hetchy Project	Anson Moran
General Manager of Municipal Railway	Johnny Stein
General Manager of Water	John Mullane
Director of Public Works	John Cribbs
Executive Director of Clean Water Program	Robert T. Cockburn
Director of Purchasing	Marvin Geistlinger
Director of Real Estate	Anthony DeLucchi
Recorder	Bruce Jamison
General Manager of Recreation and Park Commission	Mary Burns
Executive Director of San Francisco Redevelopment Agency	Edward N. Helfeld
Registrar of Voters	Germaine Wong
Director of Residential Rent Stabilization and Arbitration Board	Joseph Grubb
General Manager of Employees' Retirement System	Clare M. Murphy
General Manager of Social Services	Julia I. Lopez
Director of Commission on Status of Women	Sharon Johnson
Managing Director of War Memorial	Thelma Shelley

INDEPENDENT AUDITORS' REPORT

The Honorable Mayor and Board of Supervisors
City and County of San Francisco, California

We have audited the combined financial statements of the City and County of San Francisco, California as of and for the year ended June 30, 1992, as listed in the accompanying table of contents. These combined financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these combined financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the combined financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of the City and County of San Francisco, California as of June 30, 1992, and the results of its operations and the cash flows of its proprietary and nonexpendable trust fund types for the year then ended in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the combined financial statements taken as a whole. The combining, individual fund, and individual account group financial statements and schedules listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the combined financial statements of the City and County of San Francisco, California. Such information has been subjected to the auditing procedures applied in the audit of the combined financial statements and, in our opinion, is fairly stated in all material respects in relation to the combined financial statements taken as a whole.

San Francisco, California
November 4, 1992

KPMG Peat Marwick
Chek Tan
Williams, Adley & Company

Combined Financial Statements
(General Purpose Financial Statements)

CITY AND COUNTY OF SAN FRANCISCO
Combined Balance Sheet—All Fund Types and Account Groups
June 30, 1992
(In Thousands)

ASSETS AND OTHER DEBITS

	Governmental Fund Types				Proprietary Fund Types		Fiduciary Fund Types	Account Groups		
	General	Special Revenue	Debt Service	Capital Projects	Enterprise (Note 9)	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Obligations	Total (Memorandum Only)
Deposits and investments (note 4)	\$ 65,532	\$177,354	\$ 359	\$419,475	\$ 265,870	\$ 1,124	\$ 240,160	\$ —	\$ —	\$ 1,169,874
Investments with trustee (note 4)	—	5,714	114,121	4,724	16,579	—	5,052,036	—	—	5,193,174
Receivables (net of allowance for uncollectible amounts of \$58,444):										
Property taxes and penalties	53,122	1,202	5,064	—	—	—	—	—	—	59,388
Other local taxes	75,596	17,503	—	—	—	—	—	—	—	93,099
Federal and state grants and subventions	35,009	38,439	—	6,211	28,266	—	—	—	—	107,925
Charges for services	2,556	—	—	—	97,954	448	—	—	—	100,958
Interest and other	1,159	5,362	51	1,234	15,142	—	186,927	—	—	209,875
Due from other funds (note 11)	21,974	59,483	255	43,539	60,770	7,240	1,502	—	—	194,763
Loans receivable	150	33,200	—	19,788	—	—	—	—	—	53,138
Inventories	292	415	—	—	27,790	118	—	—	—	28,615
Restricted assets:										
Deposits and investments (note 4)	—	—	—	—	578,821	—	—	—	—	578,821
Investments with trustee (note 4)	—	—	—	—	252,789	—	—	—	—	252,789
Grants and other receivables	—	—	—	—	23,358	—	—	—	—	23,358
Property held for resale (note 10)	—	—	—	92,042	—	—	—	—	—	92,042
Fixed assets (net of accumulated depreciation in proprietary fund types) (note 6)	—	—	—	—	3,016,956	2,986	—	1,327,497	—	4,347,439
Deferred charges and other assets	936	9,849	—	—	13,216	—	1,386	—	—	25,387
Amount available in Debt Service Funds	—	—	—	—	—	—	—	—	113,856	113,856
Amount to be provided for long-term obligations	—	—	—	—	—	—	—	—	1,022,285	1,022,285
 Total assets and other debits	<u>\$256,326</u>	<u>\$348,521</u>	<u>\$119,850</u>	<u>\$587,013</u>	<u>\$4,397,511</u>	<u>\$11,916</u>	<u>\$5,482,011</u>	<u>\$1,327,497</u>	<u>\$1,136,141</u>	<u>\$13,666,786</u>

See accompanying notes to combined financial statements.

(Continued)

CITY AND COUNTY OF SAN FRANCISCO
Combined Balance Sheet—All Fund Types and Account Groups—(Continued)
June 30, 1992
(In Thousands)
LIABILITIES

	Governmental Fund Types				Proprietary Fund Types		Fiduciary Fund Types	Account Groups		
	General	Special Revenue	Debt Service	Capital Projects	Enterprise (Note 9)	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Obligations	Total (Memorandum Only)
Accounts payable	\$ 12,650	\$ 14,877	\$ 393	\$ 14,722	\$ 74,104	\$ 1,348	\$ 37,290	—	—	\$ 155,384
Accrued payroll	16,637	4,678	—	—	15,133	471	106	—	—	37,025
Accrued vacation and sick leave pay (note 7)	24,550	5,935	—	416	41,126	—	402	—	44,356	116,785
Accrued workers' compensation (notes 7 and 12)	19,000	—	—	—	37,543	—	—	—	59,389	115,932
Estimated claims payable (notes 7 and 12)	20,040	—	—	—	19,762	—	10,461	—	25,933	76,196
Deferred tax, grant and subvention revenues	55,581	24,699	—	—	—	—	—	—	—	80,280
Due to other funds (note 11)	84,690	41,344	—	6,130	36,158	456	25,985	—	—	194,763
Agency obligations:										
School and College Districts	—	—	—	—	—	—	120,034	—	—	120,034
Other	—	—	—	—	—	—	130,297	—	—	130,297
Deferred credits and other liabilities	19,350	55,251	5,601	50,445	48,658	5	236,480	—	—	415,790
Bond interest payable	—	—	—	—	23,125	—	—	—	—	23,125
Bonds, loans and capital leases payable (notes 7 and 12)	—	—	—	—	1,521,537	101	—	—	1,006,463	2,528,101
Liabilities payable from restricted assets	—	—	—	—	29,524	—	—	—	—	29,524
Total liabilities	<u>252,498</u>	<u>146,784</u>	<u>5,994</u>	<u>71,713</u>	<u>1,846,670</u>	<u>2,381</u>	<u>561,055</u>	<u>—</u>	<u>1,136,141</u>	<u>4,023,236</u>
FUND EQUITY AND OTHER CREDITS										
Contributed capital, net	—	—	—	—	1,348,215	3,747	—	—	—	1,351,962
Investment in general fixed assets	—	—	—	—	—	—	—	1,327,497	—	1,327,497
Retained earnings:										
Reserved	—	—	—	—	—	2,908	—	—	—	2,908
Unreserved	—	—	—	—	1,202,626	2,880	—	—	—	1,205,506
Fund balances:										
Reserved for employees' retirement/health benefits	—	—	—	—	—	—	4,910,839	—	—	4,910,839
Reserved by charter for cash requirements	52,324	—	—	—	—	—	—	—	—	52,324
Reserved by charter for emergencies	4,498	—	—	—	—	—	—	—	—	4,498
Reserved for inventory type assets not available for appropriation	2,104	2,538	—	—	—	—	345	—	—	4,987
Reserved for property held for resale (note 10)	—	—	—	92,042	—	—	—	—	—	92,042
Reserved for debt service	—	—	113,856	—	—	—	—	—	—	113,856
Reserved for encumbrances	14,163	19,356	—	69,122	—	—	—	—	—	102,641
Reserved for appropriation carryforward	5,217	138,262	—	157,024	—	—	5,183	—	—	305,686
Reserved for subsequent years' budgets	4,047	—	—	—	—	—	—	—	—	4,047
Unreserved—undesignated (deficit)	(78,525)	41,581	—	197,112	—	—	4,589	—	—	164,757
Total fund equity	<u>3,828</u>	<u>201,737</u>	<u>113,856</u>	<u>515,300</u>	<u>2,550,841</u>	<u>9,535</u>	<u>4,920,956</u>	<u>1,327,497</u>	<u>—</u>	<u>9,643,550</u>
Total liabilities and fund equity	<u>\$256,326</u>	<u>\$348,521</u>	<u>\$119,850</u>	<u>\$587,013</u>	<u>\$4,397,511</u>	<u>\$11,916</u>	<u>\$5,482,011</u>	<u>\$1,327,497</u>	<u>\$1,136,141</u>	<u>\$13,666,786</u>

See accompanying notes to combined financial statements.

CITY AND COUNTY OF SAN FRANCISCO
Combined Statement of Revenues, Expenditures
and Changes in Fund Balances—
All Governmental Fund Types and Expendable Trust Fund
Year ended June 30, 1992
(In Thousands)

	Governmental Fund Types				Fiduciary	Total (Memoran- dum Only)
	General	Special Revenue	Debt Service	Capital Projects	Expendable Trust	
Revenues:						
Property taxes	\$ 457,971	\$ 13,195	\$ 46,146	\$ 6,332	\$ —	\$ 523,644
Business taxes	142,093	365	—	—	—	142,458
Other local taxes	171,771	100,777	—	—	—	272,548
Grants, subventions and other allocations	426,228	113,780	631	11,952	192	552,783
Licenses, fines and penalties	51,355	5,022	—	—	—	56,377
Interest and investment earnings	15,305	13,141	1,731	18,352	877	49,406
Charges for services	30,839	64,755	957	—	22	99,573
Contributions	—	—	—	—	4,502	4,502
Land sales proceeds	—	—	—	999	—	999
Other	8,235	1,770	4,370	5,054	—	19,429
Total revenues	1,303,797	312,805	53,835	42,689	5,593	1,718,719
Expenditures:						
Operating expenditures:						
Public protection	447,493	7,514	—	—	39	455,046
Public works, transportation and commerce	32,838	64,093	—	—	27	96,958
Human welfare and neighborhood development	279,214	37,431	—	—	351	316,996
Community health	188,035	44,317	—	—	249	233,501
Culture and recreation	63,690	51,679	—	—	4,591	119,960
General administration and finance	131,410	22,979	—	—	103	154,492
Capital outlay	—	—	—	198,624	—	198,624
Debt service:						
Principal retirement	—	—	21,010	—	—	21,010
Interest and fiscal charges	—	—	43,817	—	—	43,817
Total expenditures	1,142,680	228,013	64,827	198,624	5,360	1,639,504
Excess (deficiency) of reve- nues over (under) expenditures	161,117	84,792	(10,992)	(155,935)	233	79,215
Other financing sources (uses):						
Operating transfers in	47,945	16,464	24,272	80,835	—	169,516
Operating transfers out	(236,884)	(55,719)	(53,817)	(16,984)	(19)	(363,423)
Proceeds from issuance of bonds (note 7)	—	—	129,973	193,915	—	323,888
Payment to refunded bond escrow agent	—	—	(569)	—	—	(569)
	(188,939)	(39,255)	99,859	257,766	(19)	129,412
Excess (deficiency) of reve- nues and other sources over (under) expenditures and other uses	(27,822)	45,537	88,867	101,831	214	208,627
Fund balances at beginning of year	26,082	164,171	24,989	415,363	9,902	640,507
Net change in reserve for inventory type assets not available for ap- propriation and property held for resale	296	(3,699)	—	(1,894)	1	(5,296)
Residual equity transfers in (out) (note 2(h))	5,272	(4,272)	—	—	—	1,000
Fund balances at end of year	\$ 3,828	\$201,737	\$113,856	\$515,300	\$10,117	\$ 844,838

See accompanying notes to combined financial statements.

CITY AND COUNTY OF SAN FRANCISCO

**Combined Statement of Revenues, Expenditures,
Encumbrances and Changes in Fund Balances—Budget and Actual—
General and Certain Special Revenue Fund Types—Budget Basis (note 3)**

Year ended June 30, 1992

(In Thousands)

	General Fund			Certain Special Revenue Funds		
	Revised Budget	Actual	Variance— Favorable (Unfavorable)	Revised Budget	Actual	Variance— Favorable (Unfavorable)
Revenues:						
Property taxes	\$ 478,459	\$ 471,250	\$(7,209)	\$ 13,494	\$ 13,375	\$ (119)
Business taxes	154,600	142,574	(12,026)	—	—	—
Other local taxes	189,778	171,801	(17,977)	61,484	58,378	(3,106)
Grants, subventions and other allocations	467,558	436,684	(30,874)	24,012	23,752	(260)
Licenses, fines and penalties ..	67,146	51,355	(15,791)	3,849	4,286	437
Interest and investment earnings	17,690	15,305	(2,385)	4,458	4,668	210
Charges for services	34,960	32,542	(2,418)	56,088	49,871	(6,217)
Other	9,165	8,237	(928)	219	225	6
Total revenues	<u>1,419,356</u>	<u>1,329,748</u>	<u>(89,608)</u>	<u>163,604</u>	<u>154,555</u>	<u>(9,049)</u>
Expenditures and encumbrances:						
Public protection	464,688	447,032	17,656	94	92	2
Public works, transportation and commerce	34,655	32,509	2,146	59,453	56,326	3,127
Human welfare and neighbor- hood development	299,227	280,056	19,171	13,282	13,205	77
Community health	193,840	188,467	5,373	22	21	1
Culture and recreation	65,472	65,152	320	49,149	44,805	4,344
General administration and finance	146,439	131,713	14,726	9,318	9,313	5
Total expenditures and encumbrances	<u>1,204,321</u>	<u>1,144,929</u>	<u>59,392</u>	<u>131,318</u>	<u>123,762</u>	<u>7,556</u>
Excess (deficiency) of revenues over (under) expenditures and encumbrances...	<u>215,035</u>	<u>184,819</u>	<u>(30,216)</u>	<u>32,286</u>	<u>30,793</u>	<u>(1,493)</u>
Other financing sources (uses):						
Operating transfers in	48,922	47,945	(977)	53,887	51,810	(2,077)
Operating transfers out	<u>(273,513)</u>	<u>(236,884)</u>	<u>36,629</u>	<u>(82,772)</u>	<u>(80,173)</u>	<u>2,599</u>
	<u>(224,591)</u>	<u>(188,939)</u>	<u>35,652</u>	<u>(28,885)</u>	<u>28,363</u>	<u>522</u>
Excess (deficiency) of revenues and other sources over (under) expenditures, encumbrances and other uses	<u>(9,556)</u>	<u>(4,120)</u>	<u>5,436</u>	<u>3,401</u>	<u>2,430</u>	<u>(971)</u>
Fund balances at beginning of year	73,655	73,655	—	81,023	81,023	—
Amounts budgeted in prior years	—	(8,060)	(8,060)	—	247	247
Residual equity transfers in (out) (note 2(h))	<u>5,272</u>	<u>5,272</u>	<u>—</u>	<u>(4,272)</u>	<u>(4,272)</u>	<u>—</u>
Fund balances at end of year ...	<u>\$ 69,371</u>	<u>\$ 66,747</u>	<u>\$(2,624)</u>	<u>\$ 80,152</u>	<u>\$ 79,428</u>	<u>\$(724)</u>

See accompanying notes to combined financial statements.

CITY AND COUNTY OF SAN FRANCISCO
Combined Statement of Revenues, Expenses and Changes
in Retained Earnings / Fund Equity—
All Proprietary Fund Types and Similar Trust Funds

Year ended June 30, 1992

(In Thousands)

	<u>Proprietary Fund Types</u>		<u>Fiduciary Fund Types</u>		<u>Total (Memoran- dum Only)</u>
	<u>Enterprise (note 9)</u>	<u>Internal Service</u>	<u>Pension Trust</u>	<u>Non- expendable Trust</u>	
Operating revenues:					
Charges for services	\$ 659,620	\$31,045	\$ —	\$ —	\$ 690,665
Rent and concessions	130,839	—	—	—	130,839
Contributions	—	—	269,300	135,098	404,398
Income from investments	—	—	471,029	2,113	473,142
Other	6,875	—	—	—	6,875
Total operating revenues	<u>797,334</u>	<u>31,045</u>	<u>740,329</u>	<u>137,211</u>	<u>1,705,919</u>
Operating expenses:					
Personal services	570,357	14,545	—	—	584,902
Contractual services	113,483	8,010	—	97,682	219,175
Light, heat and power	44,981	—	—	—	44,981
Materials and supplies	70,667	5,430	—	—	76,097
Depreciation	107,604	989	—	—	108,593
General and administrative	—	—	6,628	—	6,628
Services provided by other departments	77,891	502	—	—	78,393
Benefit payments	—	—	231,775	43,749	275,524
Other	64,871	—	—	—	64,871
Total operating expenses	<u>1,049,854</u>	<u>29,476</u>	<u>238,403</u>	<u>141,431</u>	<u>1,459,164</u>
Operating income (loss)	<u>(252,520)</u>	<u>1,569</u>	<u>501,926</u>	<u>(4,220)</u>	<u>246,755</u>
Nonoperating revenues (expenses):					
Operating grants:					
Federal	8,401	—	—	—	8,401
State	66,562	—	—	—	66,562
Interest income	55,903	—	—	—	55,903
Interest expense	(77,364)	—	—	—	(77,364)
Other, net	15,500	—	—	—	15,500
	<u>69,002</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>69,002</u>
Income (loss) before operating transfers	<u>(183,518)</u>	<u>1,569</u>	<u>501,926</u>	<u>(4,220)</u>	<u>315,757</u>
Operating transfers in	224,416	—	—	—	224,416
Operating transfers out	(30,231)	(278)	—	—	(30,509)
	<u>194,185</u>	<u>(278)</u>	<u>—</u>	<u>—</u>	<u>193,907</u>
Net income (loss) before extraordinary items	10,667	1,291	501,926	(4,220)	509,664
Extraordinary items (note 7)	(14,630)	—	—	—	(14,630)
Net income (loss)	<u>(3,963)</u>	<u>1,291</u>	<u>501,926</u>	<u>(4,220)</u>	<u>495,034</u>
Depreciation on fixed assets purchased with externally restricted sources that reduces contributed capital	37,009	396	—	—	37,405
Retained earnings/fund equity at beginning of year	1,170,580	4,101	4,392,782	20,351	5,587,814
Residual equity transfers out (note 2(h))	(1,000)	—	—	—	(1,000)
Retained earnings/fund equity at end of year	<u>\$1,202,626</u>	<u>\$ 5,788</u>	<u>\$4,894,708</u>	<u>\$ 16,131</u>	<u>\$6,119,253</u>

See accompanying notes to combined financial statements.

CITY AND COUNTY OF SAN FRANCISCO
Combined Statement of Cash Flows—
All Proprietary Fund Types and Nonexpendable Trust Fund
Year ended June 30, 1992
(In Thousands)

	<u>Proprietary Fund Types</u>		<u>Fiduciary Fund Type</u>	
	<u>Enterprise (note 9)</u>	<u>Internal Service</u>	<u>Non-expendable Trust</u>	<u>Total (Memorandum Only)</u>
Cash flows from operating activities:				
Operating income (loss)	\$(252,520)	\$ 1,569	\$(4,220)	\$(255,171)
Adjustments for noncash activities:				
Depreciation	107,604	989	—	108,593
Provision for uncollectibles	20,942	—	—	20,942
Other	(12)	—	—	(12)
Changes in assets/liabilities:				
Receivables, net	(7,637)	193	(342)	(7,786)
Due from other funds	(16,269)	(65)	1,564	(14,770)
Inventories	(33)	—	—	(33)
Deferred charges and other assets	(2,811)	144	—	(2,667)
Accounts payable	16,088	(501)	1,122	16,709
Accrued payroll	(17,051)	(606)	—	(17,657)
Estimated claims payable	1,418	—	1,306	2,724
Due to other funds	(42,968)	(1,633)	1,618	(42,983)
Deferred credits and other liabilities	(1,025)	(40)	4,168	3,103
Net cash provided by (used in) operating activities	(194,274)	50	5,216	(189,008)
Cash flows from noncapital financing activities:				
Operating grants received	63,834	—	—	63,834
Operating transfers in	188,479	—	—	188,479
Operating transfers out	(30,643)	(278)	—	(30,921)
Residual equity transfers out	(1,000)	—	—	(1,000)
Net increase in noncapital borrowing	(68,998)	—	—	(68,998)
Other noncapital increase	30,192	—	—	30,192
Net cash provided by (used in) noncapital financing activities	181,864	(278)	—	181,586
Cash flows from capital financing activities:				
Capital grants	100,146	—	—	100,146
Bond sale proceeds, net	496,497	—	—	496,497
Payment to refunded bond escrow agent	(219,357)	—	—	(219,357)
State loan proceeds	60,284	—	—	60,284
Proceeds from sale of fixed assets	126	—	—	126
Transfer from other funds for debt service	4,632	—	—	4,632
Acquisition of fixed assets	(290,549)	(703)	—	(291,252)
Retirement of capital lease obligation	(2,480)	—	—	(2,480)
Retirement of general obligation bonds	(9,675)	—	—	(9,675)
Retirement of revenue bonds	(25,189)	—	—	(25,189)
Interest paid on long term debt	(92,596)	—	—	(92,596)
Other capital financing activities	17,856	—	—	17,856
Net cash provided by (used in) capital financing activities	39,695	(703)	—	38,992
Cash flows from investing activities:				
Net increase in investments with trustees—restricted and unrestricted	(103,278)	—	—	(103,278)
Net increase in restricted deposits and investments	(73,611)	—	—	(73,611)
Interest income received	60,423	—	—	60,423
Other, net	108	—	—	108
Net cash used in investing activities	(116,358)	—	—	(116,358)
Net increase (decrease) in cash and cash equivalents	(89,073)	(931)	5,216	(84,788)
Cash and cash equivalents—beginning of year	354,943	2,055	31,400	388,398
Cash and cash equivalents—end of year	\$ 265,870	\$ 1,124	\$36,616	\$ 303,610
Noncash investing, capital and financing activities:				
Equipment leases	\$ 818	\$ —	\$ —	\$ 818
Extraordinary items (note 7)	14,630	—	—	14,630
Accretion of interest on long term debt	1,484	—	—	1,484
Amortization of bond discount	259	—	—	259
	<u>\$ 17,191</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 17,191</u>

See accompanying notes to combined financial statements.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS

June 30, 1992

(1) Definition of Reporting Entity

San Francisco is a city and County chartered by the State of California, and as such can exercise the powers of both a city and a County under state law.

The City and County of San Francisco (the City) has defined its reporting entity in accordance with the Governmental Accounting Standards Board's (GASB) *Codification of Governmental Accounting and Financial Reporting Standards*, Section 2100, which sets forth the scope of public service and the exercise of oversight responsibility of a government's elected officials as the basic criteria for inclusion of a governmental unit in a governmental reporting entity, i.e. the City's ability to significantly influence operations, select the governing authority, designate management, and participate in fiscal management. Sections 2100 and 2600 set forth criteria to be used in determining how individual governmental unit data should be presented by the component units of the reporting entity.

The combined financial statements present financial information on activities of the City for which the Mayor and Board of Supervisors have oversight responsibility, and include: the operations of the Office of the Controller; the enterprise operations of the San Francisco International Airport, the San Francisco General Hospital Medical Center, the Laguna Honda Hospital, the Port of San Francisco, the Clean Water Program, the Water Department/Hetch Hetchy Project, and the Municipal Railway and Municipal Railway Improvement Corporation; the operations of ten nonprofit corporations associated with the City; the operations of the San Francisco County Transportation Authority; the operations of the San Francisco Redevelopment Agency and its Financing Authority; and the operations of the Employees' Retirement System and Health Service System. Long-term leases between the oversight unit and component units for facilities and equipment financed by lease revenue bonds are eliminated in the combined financial statements.

The City's combined financial statements, except for certain cash held by the City as an agent, do not reflect operations of the San Francisco Housing Authority, Private Industry Council of San Francisco, San Francisco Unified School District and San Francisco Community College District. The Housing Authority is not included as a component unit because it is not within the oversight responsibility of the City: it is not included under the City Charter, it is not subject to the financial controls of the Controller or the budgetary controls of the Mayor and the Board of Supervisors except in a review capacity, and there is minimal financial interdependency. The Private Industry Council of San Francisco is not included as a component unit because it is not within the oversight responsibility of the City: it is not included under the City Charter, it is not subject to the financial controls of the Controller or the budgetary controls of the Mayor and the Board of Supervisors, and there is minimal financial interdependency. The School and the Community College Districts are not included because they have their own elected governing boards and are independent of the City as to fiscal accountability and financial affairs, although the City issues bonds on their behalf for which the School and College Districts assume the obligation.

(2) Summary of Significant Accounting Policies

The more significant accounting policies of the City are described in the following sections.

(a) Basis of Presentation—Fund Accounting

The accounts of the City are organized on the basis of funds or account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. The various funds are summarized by type in the

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

financial statements. Fund types and account groups used by the City are described in the following sections.

Governmental Fund Types

General Fund—The General Fund, the general operating fund of the City, accounts for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds—Special Revenue Funds account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

Debt Service Funds—Debt Service Funds account for the accumulation of resources for, and the payment of, long-term obligation principal, interest and related costs.

Capital Projects Funds—Capital Projects Funds account for financial resources used for the acquisition or construction of major capital facilities (other than those financed in the proprietary fund types).

Proprietary Fund Types

Enterprise Funds—Enterprise Funds account for operations (a) that are financed and operated in a manner similar to private business enterprises—where the intent of the Board of Supervisors is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or (b) where the Board of Supervisors has decided that periodic determination of revenues earned, expenses incurred, and net income or loss is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Internal Service Funds—Internal Service Funds account for the financing of goods or services provided by one department or agency to other departments or agencies of the City or other governmental units on a cost reimbursement basis.

Fiduciary Fund Types

Trust and Agency Funds—Trust and Agency Funds account for assets held by the City as a trustee or as an agent for individuals, private organizations, other governmental units and/or other funds. These include the pension trust fund (Employees' Retirement System), nonexpendable trust fund (Health Service System), expendable trust funds and agency funds.

Account Groups

General Fixed Assets Account Group—The General Fixed Assets Account Group accounts for fixed assets of the City, other than those accounted for in the proprietary fund types.

General Long-Term Obligations Account Group—The General Long-Term Obligations Account Group accounts for all long-term obligations of the City, including claim liabilities, workers' compensation liabilities and vested vacation and sick leave pay, except those accounted for in the proprietary fund types.

(b) Basis of Accounting

The modified accrual basis of accounting is followed in the governmental fund types and expendable trust and agency funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

Expenditures, other than interest and principal on long-term obligations that are recorded when paid, are recorded when they are expected to be liquidated with expendable available resources.

Intergovernmental revenues (primarily grants and subventions), which are received as reimbursement for specific purposes or projects, are recognized based upon the expenditures recorded. Intergovernmental revenues which are virtually unrestricted as to purpose of expenditure and revocable only for failure to meet prescribed compliance requirements are reflected as revenues at the time of receipt or earlier if they meet the availability criterion.

The City collects an annual taxpayer-assessed business tax based either on gross receipts or on payroll for each calendar year. The City bills taxpayers each June for one-half of the previous year's actual taxes. This amount is due on July 1 and delinquent after July 31. The remaining amount is due January 1 and is delinquent after February 28. The City accrues as revenues the amount of the June billing expected to be collected within 60 days of the end of its fiscal year, which is a significant portion of the amount billed.

Licenses, fines and penalties and other revenues are recorded as revenues when received in cash because they are generally not measurable until actually received.

Investment earnings are accrued since they are measurable and available.

See note 5 for the City's property tax accrual policy.

The accrual basis of accounting is utilized in the proprietary fund types and pension trust and nonexpendable trust funds. Water and power services furnished to customers are recognized as revenue when earned.

(c) *Measurement Focus*

All governmental fund types are accounted for on a spending or funds flow measurement focus. Only current assets and current liabilities are generally included on their balance sheets. Resources not available to finance expenditures or commitments of the current period are recognized as deferred revenue. Claim liabilities, workers' compensation liabilities and vested vacation and sick leave pay which are estimated to be payable within the next year, are recorded in the governmental fund types; remaining amounts are shown in the General Long-Term Obligations Account Group.

All proprietary fund types are accounted for on a capital maintenance measurement focus based upon net income, financial position and cash flows in a manner similar to a commercial enterprise.

Operations of the pension trust and nonexpendable trust funds are accounted for in the same manner as the proprietary fund types. Operations of expendable trust funds are accounted for in essentially the same manner as governmental funds. Agency funds are custodial in nature and do not involve measurement of results of operations.

(d) *Budgetary Data*

The budget of the City is a detailed operating plan which identifies estimated costs and results in relation to estimated revenues. The budget includes (1) the programs, projects, services, and activities to be provided during the fiscal year, (2) the estimated revenue available to finance the operating plan, and (3) the estimated spending requirements of the operating plan. The budget represents a process through which policy decisions are made, implemented, and controlled. The City Charter prohibits expending funds for which there is no legal appropriation.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

The following procedures establish the budgetary data reflected in the financial statements:

Original Budget

- (1) The Mayor conducts hearings to obtain public comment on the proposed annual budget.
- (2) Prior to June 1, the Mayor submits the proposed budget to the Board of Supervisors. The Board then adopts an interim budget.
- (3) The Board of Supervisors conducts hearings to obtain public comment on the budget.
- (4) Prior to September 15, the Board of Supervisors finalizes the annual budget through passage of the Annual Appropriation Ordinance, the legal authority for enactment of the budget.

Subsequent to the adoption of the 1992-93 budget, the State finalized its budget and legislated additional revenue curtailments to the City of approximately \$63 million. A revised budget has been proposed and includes a \$32.2 million shortfall pending determination of the availability of proposed one time revenue sources.

Revised Budget

The revised budgetary data presented in the financial statements reflects the following changes to the original budget:

- (1) Certain annual appropriations are budgeted on a project or program basis. If such projects or programs are not completed at the end of the fiscal year, unexpended appropriations are carried forward to the following year. In certain circumstances, other programs and regular annual appropriations may be carried forward after approval by the Controller, Mayor and Board of Supervisors. Annually appropriated funds, not authorized to be carried forward, lapse at the end of the fiscal year. Appropriations carried forward from the prior year are included in the revised budgetary data. Appropriations carried forward to the subsequent year are excluded. Historically, appropriations carried forward have ultimately resulted in expenditures.
- (2) Appropriations may be adjusted during the year with the approval of the Mayor and Board of Supervisors. Additionally, the Controller is authorized to make transfers of excess appropriations within a department. Such adjustments are reflected in the revised budgetary data.

The Annual Appropriation Ordinance adopts the budget at the character level of expenditure within departments. As described above, the Controller is authorized to make transfers of excess appropriations within departments. Accordingly, the lowest level of budgetary control by the Board of Supervisors is the department level.

Budgetary data, as revised, are presented in the financial statements for the General Fund and certain Special Revenue Funds. Federal and state grant Special Revenue Funds and certain projects are budgeted by the Mayor and Board of Supervisors over the term of the individual grant or project; Capital Projects Funds are also budgeted over the life of the project. Since these funds are not budgeted on an annual basis, they are not included in the budgetary data.

(e) Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for expenditure of funds are recorded to reserve that portion of the applicable appropriation, is employed in the governmental fund types and expendable trust funds as a significant aspect of budgetary control. Encumbrances are reported as reservations of fund balances because they do not constitute expenditures or liabilities. Encumbrances are combined with expenditures for budgetary comparison purposes (note 3).

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

(f) *Deposits and Investments*

The City follows the practice of pooling deposits and investments of most funds with the City Treasurer except for restricted funds generally held on behalf of enterprise funds or the General Fund's reserve for cash requirements, investments of the Employees' Retirement System held by trustees, deposits and investments of the Redevelopment Agency and certain nonprofit corporation funds, and imprest funds (note 4). The method of allocating interest earned on pooled deposits and investments among governmental fund types provides that, unless otherwise restricted, all interest is credited to the General Fund.

Deposits and investments are stated at cost or amortized cost, except for assets of the deferred compensation plans which are presented at market value.

The Treasurer holds deposits of the School and Community College Districts as part of the City's pooled funds. The deposits held for these districts are included in agency funds.

(g) *Inventory*

Inventory is generally valued at average cost. Inventory in the General Fund and Special Revenue Funds consists of expendable supplies held for consumption. The purchase method is used for these governmental funds with cost recorded as an expenditure at the time an individual inventory item is used. A reserve equal to the amount of inventory indicates that a portion of the fund balance is not available for future appropriation.

(h) *Interfund Transfers*

Interfund transfers are generally recorded as operating transfers in (out) except for the following types of transactions:

- (1) Charges for services, which are recorded as revenues of the performing fund and expenditures of the requesting fund. Unbilled costs are recognized as Receivables—Charges for Services at the end of the fiscal year.
- (2) Reimbursements for services performed, which are recorded as a reduction of an expenditure in the performing fund, and an expenditure of the requesting fund.
- (3) Residual equity transfers.

During FY 1991-92, residual equity transfers of \$5.3 million to the General Fund from various funds with surplus fund balances were approved.

(i) *General Fixed Assets*

General fixed assets are those acquired for general governmental purposes. Such assets currently purchased or constructed are recorded as expenditures in the governmental fund types and capitalized at cost in the General Fixed Assets Account Group. Contributed fixed assets are recorded at fair market value at the time received. Certain assets for which actual costs are not available have been valued on the basis of a professional valuation that determined their approximate historical cost.

The City's infrastructure, which consists of certain non-enterprise improvements that have not been capitalized, is not included in the General Fixed Assets Account Group. Examples are roads, curbs and gutters, streets and sidewalks and lighting systems. Such assets are normally immovable and of value only to the City.

No depreciation is provided on general fixed assets.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

(j) *Fixed Assets—Proprietary Fund Types*

Fixed assets of the proprietary fund types are stated at cost or estimated historical cost. Depreciation has been provided over estimated useful lives using the straight-line method. Depreciation related to certain fixed assets purchased with externally restricted sources is closed to the contributed capital accounts on an annual basis.

The net amount of interest expense on borrowing for capital projects and interest earnings on unspent proceeds is capitalized during the construction period on projects of the San Francisco Airport, the Port of San Francisco, the Water Department / Hetch Hetchy Project and the Clean Water Program. Net interest capitalized during the fiscal year decreased construction in progress and reduced interest income by approximately \$6.4 million.

(k) *Fund Equity*

Reservations of fund balances of the governmental fund types and the fiduciary fund type indicate that portion of fund equity which is not appropriable for expenditure or is legally segregated for a specific future use. The amount reserved by the Charter for emergencies may be appropriated only by a vote of three-fourths of the Board of Supervisors. The Charter also provides for a cash requirements reserve to meet potential short-term working capital needs.

Reservations of fund balance for inventory type assets not available for appropriation include reservations made for inventory and other assets not expected to be available for appropriation in the following year. Changes in inventory and similar assets are reported as changes in fund equity.

Fund balance amounts reserved for subsequent years' budgets have been legally set aside by Board of Supervisors' ordinance, but actual expenditure requires a subsequent specific appropriation.

Capital grants from external sources are recognized as contributed capital in proprietary funds at the time reimbursable expenditures related to grants are incurred.

Reservation of retained earnings of internal service funds recognizes contractual and other commitments which are not properly accruable, but represent future obligations of retained earnings.

(l) *Accrued Vacation and Sick Leave Pay*

Vacation pay, which may be accumulated up to ten weeks depending on an employee's length of service, is payable upon termination.

Sick leave may be accumulated up to six months. Unused amounts, accumulated prior to December 6, 1978, are vested and are payable upon termination of employment by retirement, disability caused by industrial accident or death. Sick leave earned subsequent to that date is nonvesting and, hence, is not a liability.

Vested vacation and sick leave pay is accrued for all fund types. Amounts expected to be payable within the next year, which are estimated based on historical information, are accrued in the governmental fund types and the remainder is recorded in the General Long-Term Obligations Account Group. Proprietary funds record both current and non-current amounts in their liabilities.

(m) *Redevelopment Agency Property*

The Redevelopment Agency charges capital outlay for the full cost of developing and administering its projects. Property held for resale, which is considered to be inventory, is recorded as an asset in the Capital Project Funds at the lower of cost or estimated conveyance value. A reserve equal to the amount of inventory indicates that a portion of fund balance is not available for future appropriation.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

Estimated conveyance value is management's estimate of net realizable value of a property based on current intended use.

Property which has been or is intended to be leased on a long-term basis is recorded in the General Fixed Assets Account Group. South Beach Harbor fixed assets are included in an enterprise fund.

(n) *Loans Receivable*

Special Revenue Fund expenditures relating to long-term loans arising from loan subsidy programs are charged to operations upon funding. Loans receivable are recorded with an offset to a deferred credit account.

(o) *Cash Flows*

Cash and cash equivalents include all highly liquid investments with an original purchase maturity of three months or less. Unrestricted pooled cash and investments in the City's Treasury represent monies in a cash management pool and such accounts are similar in nature to demand deposits. The City considers all restricted deposits to be investments, and as such these amounts are not considered cash and cash equivalents.

(p) *Total (Memorandum Only) Columns on Combined Statements*

Total columns on the combined statements are for overview information only. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles, nor are such data comparable to a consolidation. Eliminations of interfund activity have been made within fund types but not between fund types.

(3) *Budgetary Results Reconciled to Results in Accordance with Generally Accepted Accounting Principles and Fiscal Environment*

Budgetary Results Reconciliation

The budgetary process is based upon accounting for certain transactions on a basis other than generally accepted accounting principles (GAAP basis). The results of operations are presented in the budget-to-actual comparison statement in accordance with the budgetary process (Budget basis) to provide a meaningful comparison with the budget.

The major differences between the Budget basis "actual" and GAAP basis are as follows:

(a) *Basis differences*

Certain accruals (primarily claims and judgments, accrued vacation and sick leave pay and workers' compensation liability) are excluded from the Budget basis financial statement because such amounts are budgeted on a cash basis.

Inventory type assets not available for appropriation (such as supplies inventory) are excluded from the Budget basis fund balance because such amounts are considered to be expended.

(b) *Timing differences*

Encumbrances are recognized as the equivalent of expenditures in the budgetary financial statement, while encumbered amounts are not recognized on the GAAP basis until recorded as actual expenditures.

Revenues budgeted in prior years, which did not become susceptible to accrual until the current year, and adjustments to prior year encumbrances are recognized on the Budget basis as

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

adjustments to beginning fund balance. Such revenues are recognized currently on the GAAP basis. Adjustments to prior year encumbrances do not affect the GAAP basis.

(c) *Entity difference*

Nonannually budgeted funds (such as certain grant funds) are excluded from the Budget basis financial statement because a comparison of such budgetary amounts to annual revenues and expenditures is not meaningful.

The results of "actual" operations on a Budget basis are reconciled to the results of operations on a GAAP basis as follows (in thousands):

	<u>General Fund</u>	<u>Special Revenue Funds</u>
Excess (deficiency) of revenues and other sources over (under) expenditures, encumbrances and other uses—Budget basis	\$ (4,120)	\$ 2,430
Accruals excluded from Budget basis	(1,691)	—
Accruals included in Budget basis	(8,620)	—
Increase in current year's encumbrances	1,399	(1,263)
Expenditures which were encumbered in prior years	(6,730)	(670)
Amounts budgeted in prior years	(8,060)	247
Nonannually budgeted funds, net	<u>—</u>	<u>44,793</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses—GAAP basis	<u>\$ (27,822)</u>	<u>\$45,537</u>

The fund balances on a Budget basis are reconciled to the fund balances on a GAAP basis as follows (in thousands):

	<u>General Fund</u>	<u>Special Revenue Funds</u>
Fund balance, June 30, 1992—Budget basis	\$ 66,747	\$ 79,428
Accruals excluded from Budget basis	(70,566)	—
Accruals included in Budget basis	(8,620)	—
Inventory type assets not available for appropriation	2,104	2,016
Encumbrances, June 30, 1992	14,163	8,365
Fund balances of nonannually budgeted funds	<u>—</u>	<u>111,928</u>
Fund balance, June 30, 1992—GAAP basis	<u>\$ 3,828</u>	<u>\$201,737</u>

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

General Fund Budget basis fund balance at June 30, 1992 is composed of the following (in thousands):

Reserved by charter for cash requirements	\$52,324
Reserved by charter for emergencies	4,498
Reserved for appropriation carryforward	5,217
Reserved for subsequent years' budgets	4,047
Not available for appropriation	<u>66,086</u>
Controller's set aside for contingencies and prior year expenditures ..	551
Available for appropriation	<u>110</u>
Unreserved amounts	661
Fund balance, June 30, 1992—Budget basis	<u>\$66,747</u>

Amounts reserved for subsequent years' budgets are amounts which have been legally set aside pursuant to ordinance passed by the Board, but which require appropriation for specific items before they may be expended. The primary component of fund balance reserved for subsequent years' budgets at June 30, 1992 was \$2.8 million reserved for litigation.

Fiscal Environment

San Francisco's economy has been impacted by the effects of the national recession. The City succeeded in balancing FY 1991-92 general fund operations but had to adopt budget modifications in February, 1992 to close an estimated mid-year budgetary shortfall of \$61 million. A substantial portion of the shortfall was alleviated through non-recurring revenue enhancements and expenditure reductions. The ending GAAP basis undesignated fund deficit increased \$14.2 million from \$(64.3) million at June 30, 1991 to \$(78.5) million at June 30, 1992.

The FY 1992-93 budget of \$1.3 billion reflects an even more challenging fiscal environment than FY 1991-92. After two years of significant revenue shortfalls against budgetary projections, the City has projected a 1.3% growth in general fund revenues compared with FY 1991-92 actual budget basis revenue increases of 7% over FY 1990-91. The FY 1992-93 budget absorbs approximately \$60.0 million in payroll cost of living adjustments deferred from FY 1991-92 in union negotiations, an estimated \$53.3 million reduction in property tax revenue to be used for school funding based on budget action by the State of California and is proposed to be balanced with approximately \$65 million in non-recurring revenue sources. The City is monitoring budgetary projections closely and will determine in December, 1992 if significant budgetary modifications must again be adopted to reduce anticipated expenditures over the remainder of FY 1992-93.

(4) Deposits and Investments

The City's deposits and investments are invested pursuant to investment policy guidelines established by the City Treasurer. The objectives of the policy are, in order of priority, preservation of capital, liquidity, and yield. The policy addresses the soundness of financial institutions in which the City will deposit funds, types of investment instruments as permitted by the California Government Code, and the percentage of the portfolio which may be invested in certain instruments with longer terms to maturity. Investments permitted by the City's investment policy are obligations of the U.S. government, commercial paper rated no lower than A-1 by Standard and Poor's Corporation or P-1 by Moody's Investors Service Inc., bankers' acceptances, negotiable certificates of deposit, and repurchase or reverse repurchase agreements. Investments during the year did not include repurchase or reverse repurchase agreements.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

The Redevelopment Agency invests in repurchase agreements, but not in reverse repurchase agreements.

Other deposits and investments maintained outside the City Treasury are invested pursuant to governing bond covenants or California Government Code provisions. A substantial portion of these investments are assets of the Employees' Retirement System. The Charter authorizes the Employees' Retirement System to invest in corporate equity and debt securities and to make other investments as approved by the Retirement Board. In addition, City ordinances, with limited exceptions, prohibit deposits and investments with financial institutions having specified relations with either the government of South Africa or certain private entities doing business with or in South Africa.

Total City deposits and investments are as follows (in thousands):

Deposits and investments	\$1,169,874
Investments with trustee	5,193,174
Restricted assets:	
Deposits and investments	578,821
Investments with trustee	<u>252,789</u>
	<u>\$7,194,658</u>

Cash and Deposits

The City had cash and deposits at June 30, 1992 as follows (in thousands):

<u>Cash and Deposits</u>	<u>Carrying Amount</u>	<u>Bank Balance</u>
Cash on hand	\$ 936	\$ —
Deposits in transit	1,727	—
Federally insured and collateralized deposits*	<u>(18,148)</u>	<u>49,795</u>
	<u>\$ (15,485)</u>	<u>\$49,795</u>

* Under the City's cash management policy, as warrants are presented for payment, investments are converted to cash.

The California Government Code requires California banks and savings and loan associations to secure the City's deposits not covered by Federal deposit insurance by pledging government securities as collateral. The market value of pledged securities must equal at least 110% of the City's deposits. The collateral must be held at the pledging bank's trust department or another bank, acting as the pledging bank's agent, in the City's name. Of the bank balance in financial institutions, \$2,352 was covered by Federal depository insurance. Of the remaining uninsured balance, \$45,722 was collateralized as described above. The remaining balance was uninsured and uncollateralized.

Investments

Investments of the City are summarized below. The investments that are represented by specific identifiable investment securities are classified as to credit risk by three categories as follows: Category 1 includes investments that are insured or registered or securities held by the City or its agent in the City's name; Category 2 includes uninsured and unregistered investments, with the securities held by the counterparty's trust department or agent in the City's name; Category 3 includes uninsured and unregistered investments, with the securities held by the counterparty, or by its trust department or agent but not in the City's name.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

At June 30, 1992, investments included the following (in thousands):

Type of Investment	Category			Carrying Amount	Market Value
	1	2	3		
Investments in City Treasury:					
Commercial paper	\$ 63,191	\$ —	\$ —	\$ 63,191	\$ 63,191
U.S. government securities	860,360	—	575,201	1,435,561	1,472,411
Bankers' acceptances	138,021	—	35,669	173,690	173,715
	<u>1,061,572</u>	<u>—</u>	<u>610,870</u>	<u>1,672,442</u>	<u>1,709,317</u>
Employees' Retirement System:					
Commercial paper	—	—	4,964	4,964	4,964
U.S. government securities	1,417,177	—	34,689	1,451,866	1,540,238
Bonds	1,233,274	—	57,525	1,290,799	1,358,005
Common stock	1,455,293	168	1,860	1,457,321	1,713,213
Other	—	39,583	—	39,583	40,705
	<u>4,105,744</u>	<u>39,751</u>	<u>99,038</u>	<u>4,244,533</u>	<u>4,657,125</u>
Other funds:					
Commercial paper	260	17,752	—	18,012	18,167
U.S. government securities	46,607	163,218	118,612	328,437	331,102
Repurchase agreements	—	—	4,292	4,292	4,292
Bankers' acceptances	—	28,986	—	28,986	29,226
Other	11,014	30,008	6,753	47,775	48,058
	<u>57,881</u>	<u>239,964</u>	<u>129,657</u>	<u>427,502</u>	<u>430,845</u>
	<u>\$5,225,197</u>	<u>\$279,715</u>	<u>\$839,565</u>	<u>\$6,344,477</u>	<u>\$6,797,287</u>
Real estate limited partnerships				289,051	284,790
Mutual funds				<u>576,615</u>	<u>576,238</u>
Total investments				<u>\$7,210,143</u>	<u>\$7,658,315</u>

Investments in the City Treasury which are identified as Category 3 above represent U.S. government securities and bankers' acceptances held in the safekeeping department of a major financial institution in the City's name.

Market value fluctuates with interest rates, and increasing rates could cause market value to decline below carrying value. City management believes the liquidity in the portfolio is more than adequate to meet cash flow requirements and to preclude the City from having to sell investments below carrying value for that purpose.

The City Treasury's investments have a market value of \$36.9 million (2.2%) above carrying value at June 30, 1992. The earned yield, which includes net gains on investments sold, on all investments held by the City Treasurer for FY 1991-92 was 7.8%.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

(5) *Property Taxes*

The City is responsible for assessing, collecting and distributing property taxes in accordance with enabling state law. Property taxes are levied on both real and personal property. Liens for secured property taxes attach on March 1st preceding the fiscal year for which taxes are levied. Secured property taxes are levied on the first business day of September and are payable in two equal installments: the first is due on November 1st and delinquent with penalties after December 10th; the second is due February 1st and delinquent with penalties after April 10th. Secured property taxes which are delinquent and unpaid as of June 30th are sold to the State and are subject to redemption penalties, costs, and interest when paid. If not paid at the end of five years, the property is sold at public auction and the proceeds are used to pay delinquent amounts due. Any excess is remitted, if claimed, to the taxpayer. Unsecured personal property taxes are not a lien on real property. Those taxes are due on March 1st and become delinquent with penalties after August 31st. Supplemental property tax assessments associated with changes in the assessed valuation due to transfer of ownership in property or upon completion of new construction are levied in two equal installments and have variable due dates based on the dates of the underlying transaction.

Since the passage of California's Proposition 13, beginning with fiscal year 1978-79, general property taxes are based either on a flat 1% rate applied to the 1975-76 full value of the property or on 1% of the sales price of the property on sales transactions or construction value added after the 1975-76 valuation. Taxable values on properties (exclusive of increases related to sales and construction) can rise at a maximum of 2% per year. The increase for 1991-92 was 2%.

The Proposition 13 limitations on general property taxes do not limit taxes levied to pay the interest and redemption charges on any indebtedness approved by the voters prior to June 6, 1978 (the date of passage of Proposition 13). Proposition 13 was amended in 1986 to allow property taxes in excess of the 1% limit to fund general obligation bond debt service when such bonds are approved by two-thirds of the local voters. These taxes and related subventions for debt service amounted to approximately \$46.4 million for the year ended June 30, 1992, including interest and redemption charges for general obligation bonds of the Water Department/Hetch Hetchy Project of \$2.2 million. A like amount was transferred from the Water Department/Hetch Hetchy Project to the General Fund, as authorized by the voters in 1979.

Net taxable valuation for the year ended June 30, 1992 was approximately \$51.7 billion, an increase of 5.4% over the previous year. The tax rate was \$1.121 per \$100 of valuation (\$0.90 for general government; \$0.13 for schools, Bay Area Rapid Transit District (note 7), and Bay Area Air Quality Management District; and \$0.091 for the City's bond interest and redemption charges). Delinquencies for the year amounted to 5.1%.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

(6) Fixed Assets

Governmental Funds

A summary of changes in general fixed assets acquired through governmental funds follows (in thousands):

	Balance July 1, 1991	Additions	Transfers In/(Out)	Retirements	Balance June 30, 1992
Land.....	\$ 73,032	\$ 7,920	\$ —	\$ —	\$ 80,952
Facilities and improvements ..	688,391	20,185	174,214	—	882,790
Machinery and equipment	156,044	24,161	—	—	180,205
Construction in progress	210,071	117,292	(174,214)	—	153,149
Property held for lease	30,401	—	—	—	30,401
	<u>\$1,157,939</u>	<u>\$169,558</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$1,327,497</u>

Fixed assets with original acquisition cost of \$8.6 million are being acquired through capitalized leases. The remaining principal due on the leases is \$4.3 million (notes 7 and 12d).

Proprietary Funds

A summary of proprietary fund type fixed assets at June 30, 1992 follows (in thousands):

	Enterprise	Internal Service
Land.....	\$ 173,974	\$ —
Facilities and improvements	3,266,735	920
Machinery and equipment	452,971	19,681
	3,893,680	20,601
Less accumulated depreciation	1,258,399	17,615
	2,635,281	2,986
Construction in progress	381,675	—
	<u>\$3,016,956</u>	<u>\$ 2,986</u>

Useful lives of machinery and equipment are generally estimated to be 3 to 30 years, except for certain Laguna Honda Hospital equipment which have an estimated useful life of up to 40 years. Facilities and improvements are generally estimated to have useful lives from 5 to 50 years. Facilities and improvements include utility type assets of the Water Department/Hetch Hetchy Project, the Clean Water Program, the Muni Railway and the Port of San Francisco, totaling \$1,161 million with lives from 51 to 100 years and \$6.7 million with lives from 101 to 160 years. These long-lived assets include reservoirs and aqueducts of the Water Department/Hetch Hetchy Project.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

(7) Long-Term Obligations

The following is a summary of changes in General Long-Term Obligations for the year ended June 30, 1992 (in thousands):

	July 1, 1991	Additional Obligations and Interest Accretion	Current Maturities, Retirements, and Net Decreases	June 30, 1992
Bonds payable	\$679,837	\$325,649	\$21,525	\$ 983,961
Certificates of participation	—	17,833	—	17,833
Loans payable	379	—	15	364
Capital leases payable (note 12)	5,189	—	884	4,305
Estimated claims payable (note 12)	25,424	509	—	25,933
Workers' compensation liability (note 12)	58,260	1,129	—	59,389
Accrued vacation and sick leave pay	47,520	—	3,164	44,356
	<u>\$816,609</u>	<u>\$345,120</u>	<u>\$25,588</u>	<u>\$1,136,141</u>

As of June 30, 1991 the City's remaining portions of general obligation bonds, authorized but unissued, totaled \$406.2 million. During the current fiscal year the City issued \$155.6 million general obligation bonds from various authorized series. As of June 30, 1992 \$250.6 million authorized but unissued bonds remained.

The City and County of San Francisco Finance Corporation was authorized at the June 5, 1990 election to issue lease revenue bonds up to \$20.0 million, plus 5% increase per fiscal year. During the current fiscal year it sold \$5.5 million of the amount authorized. As of June 30, 1992, the total amount issued to date was \$12.5 million and outstanding was \$11.2 million. The proceeds are used to finance equipment purchases for City departments.

During 1992, the City issued \$17.8 million of certificates of participation which provided the funds to purchase a building for use as office facilities.

During the year the Redevelopment Agency (the Agency) and the Redevelopment Financing Authority sold \$27.0 million in tax allocation revenue bonds and \$30.0 million in general obligation notes (note 10). Additionally, bonds payable increased by \$7.2 million due to interest accretion on various Redevelopment Agency and Redevelopment Financing Authority capital appreciation and term gain bonds.

On February 1, 1992, the Agency issued \$100.3 million in Moscone Convention Center Lease Revenue Bonds (1992 Series Bonds) with an average interest rate of 6.05%. These bonds were issued to provide funds for a crossover refunding of the Moscone Convention Center Lease Revenue 1988 Series bonds (1988 Series bonds) with an average interest rate of 8.48% on July 1, 2003 and July 1, 2004 (crossover date). Net proceeds of \$85.4 million (after payment of underwriting fees, insurance, other issuance costs, approximately \$11.6 million in original issue discount, \$3.3 million of proceeds remitted to the City for use in General Construction Fund, and approximately \$252,000 used to pay the first interest payment on the 1992 Series bonds) were used to purchase U.S. government securities with the exception of \$3 million being remitted directly to the Agency. Those securities were deposited in two irrevocable trust accounts with an escrow agent to provide debt service on the 1992 Series bonds until the crossover date and to provide for all future debt service payments on the 1988 Series bonds after the crossover date. As a result, the 1988 and 1992 Series bonds are outstanding as of June 30, 1992 and the 1988 Series bonds will not be considered defeased until the crossover date. In addition, escrowed investments of \$82.4 million are recorded by the Agency as investments with trustee in the Moscone

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

Center Lease Revenue Bonds Debt Service Fund and as Amounts Available in Debt Service Funds, in the General Long-term Obligations Account Group.

The annual requirements to amortize all bonds, loans and capital leases outstanding as of June 30, 1992 are as follows (in thousands):

Year Ending June 30	Enterprise	General Long-Term Obligations and Capital Leases	Internal Service	Total
1993	\$ 122,299	\$ 108,133	\$ 43	\$ 230,475
1994	118,403	99,665	43	218,111
1995	117,921	94,034	36	211,991
1996	116,428	90,867	—	207,295
1997	115,951	87,468	—	203,419
1998-2002	644,593	426,524	—	1,071,117
2003-2007	528,981	416,508	—	945,489
Thereafter	1,171,685	645,407	—	1,817,092
	2,936,261	1,968,606	122	4,904,989
Less amounts representing interest ...	1,414,724	962,143	21	2,376,888
Liability at June 30, 1992	<u>\$1,521,537</u>	<u>\$1,006,463</u>	<u>\$101</u>	<u>\$2,528,101</u>

It is not practicable to determine the specific year for payment of claims payable, workers' compensation liability or accrued vacation and sick leave pay.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

General long-term obligations and enterprise obligations at June 30, 1992 comprise the following components (in thousands):

GENERAL LONG-TERM OBLIGATIONS

	Final Maturity Date	Remaining Interest Rates	Amount
FINANCING GENERAL OBLIGATION BONDS (a):			
Schools	2011	5.0 to 10.0%	\$ 90,245
Fire protection	2011	5.75 to 10.0%	45,050
Police facilities	2011	4.75 to 11.0%	26,204
Library facilities	2012	4.75 to 12.0%	106,555
Correctional facilities	2011	5.75 to 10.0%	16,010
Mental health facilities	2011	5.5 to 11.0%	24,968
Public safety improvements	2012	4.75 to 12.0%	137,910
Parks and playgrounds	2011	5.5 to 11.0%	18,735
Boulevards and roads	2004	4.0 to 11.0%	24,958
NON-PROFIT CORPORATION AND GARAGE LEASE REVENUE BONDS:			
San Francisco Finance Corporation (c)	2000	3.25 to 6.0%	11,230
San Francisco Stadium, Inc. (Candlestick Park) (b) ...	1999	5.0 to 5.25%	11,065
San Francisco Social Services Corporation (c)	2003	6.25 to 7.7%	7,090
Moscone Convention Center Garage (c)	2009	6.1 to 7.5%	9,375
SAN FRANCISCO REDEVELOPMENT AGENCY AND FINANCING AUTHORITY:			
Lease Revenue Bonds:			
Moscone Convention Center (d)	2018	4.8 to 8.5%	318,546
Yerba Buena Center Liquidity Facility Revenue Bonds (e) ..	1993	Variable (3.65% at 6/30/92)	16,785
General Obligation Notes (e)	2007	7.75%	30,000
Financing Authority Bonds:			
Tax allocation revenue bonds (f)	2021	5.2 to 9.0%	89,235
OTHER LONG-TERM OBLIGATIONS:			
Certificates of Participation—25 Van Ness Project (g) ..	2017	4.6 to 8.5%	17,833
Loans—State of California—Marina Development (g) ...	2007	4.5%	364
Capital leases payable (c)	1997	7.12 to 9.72%	4,305
Estimated claims payable (c)			25,933
Workers' compensation liability (c)			59,389
Accrued vacation and sick leave pay (c)			44,356
Total General Long-Term Obligations			<u>\$1,136,141</u>

Debt service payments are made from the following sources:

- Property tax recorded in the Debt Service Fund.
- Hotel taxes and operating revenues recorded in the Candlestick Park Special Revenue Fund.
- General revenues recorded in the General Fund.
- Hotel taxes and operating revenues recorded in the Convention Facilities Special Revenue Fund.
- Proceeds from sales of specified Agency owned land parcels and future property tax increment revenue.
- Property taxes allocated to the Redevelopment Agency based on increased assessed valuations in project areas (note 10).
- Operating revenues recorded in their respective Special Revenue Fund.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

ENTERPRISE OBLIGATIONS

	Final Maturity Date	Remaining Interest Rates	Amount
San Francisco International Airport:			
General obligation	1994	5.0 to 6.0%	\$ 3,190
Revenue	2020	5.5 to 10.125%	483,346
Capital lease	1997	7.3 to 16.0%	883
Port of San Francisco:			
General obligation:			
State of California	1999	2.5 to 4.85%	5,055
City and County of San Francisco	2005	4.5 to 6.3%	14,000
Revenue	2009	5.5 to 11.5%	51,907
Clean Water Program:			
General obligation	1999	4.0 to 6.0%	27,590
Revenue	2021	4.25 to 10.6%	482,716
State of California—Revolving fund loans	2012	3.4 to 3.5%	107,995
Municipal Railway/Municipal Railway Improvement Corporation:			
Revenue	1997	4.0 to 7.5%	9,665
Capital lease	1994	7.1 to 7.7%	391
Water Department/Hetch Hetchy Project:			
General obligation	2000	4.0 to 6.25%	10,250
Revenue	2020	5.0 to 8.5%	281,811
Capital lease	1995	8.05 to 8.25%	838
San Francisco General Hospital:			
Capital lease	1996	4.4 to 12.8%	3,087
Laguna Honda Hospital:			
Capital lease	1999	8.14%	1,319
Nonprofit Parking Corporations:			
Uptown	1996	6.2 to 7.0%	1,510
Western Addition	2000	3.7 to 4.75%	1,834
Ellis-O'Farrell	2017	Variable, 4.25 to 7.125%	6,600
Portsmouth Plaza	—	5.4 to 9.1%	550
San Francisco Redevelopment Agency:			
California Department of Boating and Waterway Loan ..	2036	4.7 to 6.0%	8,000
South Beach Harbor	2016	Variable, (3.65% average for FY 1991-92)	19,000
Total Enterprise Obligations			<u>\$1,521,537</u>

In FY 1991-92, the Water Department issued \$107.2 million of revenue bonds (1992 bonds) pursuant to a crossover refunding of 1987 Water Revenue Refunding Bonds. The proceeds were placed into an irrevocable trust to be used for the payment of interest on the 1992 bonds and \$460,000 per year of principal due on the 1987 bonds through November 1, 1997 (crossover date), at which time the remaining proceeds will be used to provide for all future debt service payments on the 1987 bonds. The debt service requirements of the 1992 bonds after the crossover date will be made from the net revenues of the Water Department. The Water Department recognized an extraordinary accounting loss of \$2.9 million in connection with the advance refunding which will be offset by the economic gain to be realized in future years.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

On December 3, 1991 the Airport adopted Resolution No. 91-0210 ("1991 Master Bond Resolution") which authorized the issuance of San Francisco International Airport Second Series Revenue Bonds. Pursuant to the 1991 Master Bond Resolution, in March 1992, the Airport issued \$222.6 million of Second Series Refunding Revenue Bonds, Issue 1 (Issue 1 Bonds) with an average interest rate of 6.3% to advance refund \$112.9 million and \$102.6 million of outstanding Series A and Series C Revenue Bonds, respectively. The net proceeds plus additional monies from Series A and Series C bond funds were used to purchase U.S. Government securities. These securities were deposited into an irrevocable escrow fund and upon maturity on April 30, 1992, provided sufficient proceeds to payoff the outstanding debt of Series A and Series C Revenue Bonds plus a 3% retirement premium of \$6.3 million.

Although the retirement premium of \$6.3 million plus unamortized bond issue costs and discounts of \$5.4 million resulted in the recognition of an accounting loss of \$11.7 million for the year ended June 30, 1992 (which is reflected as an extraordinary loss), the Airport in effect reduced its aggregate debt service payments by approximately \$4.3 million over the next 21 years and obtained an economic gain (difference between the present value of the old and new debt service payments) of \$16.7 million.

The Issue 1 Bonds are subject to optional redemption under certain conditions and are junior and subordinate to the Series B, Series D and Series E Revenue Bonds.

There are a number of limitations and restrictions contained in the various bond indentures. The City believes it is in compliance with all significant limitations and restrictions.

The primary collateral for the general obligation bonds is the ad valorem tax on property within the City (note 5).

Under U.S. Treasury Department temporary regulations, all governmental tax exempt debt issued after August 31, 1986 is subject to arbitrage rebate requirements. The requirements stipulate, in general, that earnings from the investment of tax exempt bond proceeds that exceed related interest expenditures on the bonds must be remitted to the Federal government on every fifth anniversary of each bond issue. The City has evaluated each bond issue subject to the arbitrage rebate requirements and has deferred recognition of interest income of \$13.8 million to date (\$4.0 million during 1992). This arbitrage liability is recorded in deferred credits and other liabilities in the Capital Projects Fund.

At June 30, 1992, \$227.7 million of outstanding revenue bonds are considered defeased and have been removed from the balance sheet.

In order to facilitate affordable housing, the City has issued mortgage revenue bonds with an outstanding aggregate balance of \$158.0 million as of June 30, 1992. These obligations are secured by the related mortgage indebtedness and, in the opinion of management, are not obligations of the City. Similarly, the Redevelopment Agency has mortgage related debt with an aggregate outstanding balance of \$425.3 million at June 30, 1992, which are also not included in the accompanying financial statements.

The City is responsible for collecting property taxes to pay a portion of general obligation debt of other local governmental units that provide services within the City's boundaries, and which must be borne by properties in the City. The primary overlapping debt relates to the Bay Area Rapid Transit District (BART). City taxpayers are responsible for \$85.8 million, approximately 30.6% of BART debt, maturing serially through 1999.

(8) Employee Benefit Programs

(a) Retirement Plans

The City maintains a single-employer, defined benefit pension plan (Employees' Retirement System) which covers most of its employees and participates in the California Public Employees

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

Retirement System, an agent multiple-employer, cost sharing public employee pension plan which covers certain employees in public safety functions, the Port, the Airport and the Redevelopment Agency.

Employees' Retirement System

Plan Description—The City has a defined benefit retirement plan (Plan) which is administered by the San Francisco Employees' Retirement System (the Retirement System). Substantially all full-time employees of the City participate in the Plan. The Plan provides basic service retirement, disability and death benefits based on specified percentages of defined monthly final average salary and provides cost-of-living adjustments after retirement. The Plan also provides disability benefits and death benefits to surviving spouses. The payroll for employees covered by the Retirement System for the year ended June 30, 1992 was \$989 million; the City's total payroll was \$1,123 million.

Police and fire department participants with 25 years of service who have attained age 50 are eligible for retirement benefits. Other participants with 20 years of service who have attained age 50 or those with 10 years of service who have attained age 60 are eligible for service retirement benefits.

In November 1991, the voters approved Proposition A, "The Early Retirement Program." Under the program, three years of age and three years of service were added when calculating the service retirement benefits for all General members who elected to retire during the period February 1, 1992 through March 30, 1992. Approximately 1,800 City and County employees retired under the program.

The types and numbers of employees covered and current membership is summarized as follows at June 30, 1991 (details relating to 1992 membership are not yet available):

	<u>Retirees</u>	<u>Beneficiaries</u>	<u>Total</u>
Retired employees			
General	9,040	2,170	11,210
Police	1,272	490	1,762
Fire	<u>1,126</u>	<u>477</u>	<u>1,603</u>
Total	<u>11,438</u>	<u>3,137</u>	<u>14,575</u>
	<u>Vested</u>	<u>Nonvested</u>	<u>Total</u>
Active employees			
General	15,838	5,665	21,503
Police	1,576	169	1,745
Fire	<u>1,151</u>	<u>209</u>	<u>1,360</u>
	<u>18,565</u>	<u>6,043</u>	<u>24,608</u>

Funding Status and Progress—The amount shown below as "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and step-rate benefits, estimated to be payable in the future as a result of employee service to date. The measure is intended to help users assess the Retirement System's funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among employers. The measure is the actuarial present value of credited projected benefits and is independent of the funding method used to determine contributions to the Retirement System.

The pension benefit obligation was computed as part of an actuarial valuation performed as of June 30, 1991. Significant economic assumptions used in the actuarial valuation include: (1) annual rate of return on investment of 8%; (2) inflation element in wage increase of 6%; (3) salary merit increases

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

ranging between 0.5% and 9% (based upon type of employee and years of service); and (4) postretirement benefit increase based on required annual cost-of-living adjustments which are a maximum of 2% per year for 75% of retirees and over 90% of active members. Remaining members may receive higher cost of living adjustments.

The unfunded pension benefit obligation applicable to the City's employees was \$786 million at June 30, 1991 and was calculated as follows (in thousands):

Pension benefit obligation:	
Retirees and beneficiaries currently receiving benefits	\$2,472,066
Current employees:	
Accumulated employee contributions	579,264
Employer-financed vested	2,057,799
Employer-financed nonvested	69,661
Total pension benefit obligation	5,178,790
Net assets available for benefits, at cost (market value of \$4,630,486)	4,392,782
Unfunded pension benefit obligation	<u>\$ 786,008</u>

The impact of the Early Retirement Program which is estimated to increase the pension benefit obligation by \$91.8 million will be reflected as of June 30, 1992 and disclosed in the footnotes to the financial statements as of June 30, 1993.

Contribution Requirements and Contributions Made—A primary purpose of the actuarial valuation is to estimate the participant liabilities of the Retirement System so that contribution wages can be set to adequately fund the liability over the long term. The actuarial calculations are based on the entry age normal method with funding of the unfunded pension benefit obligation as a level percentage of payroll over the period ending June 30, 2000, as required by the Charter.

The significant actuarial assumptions used to compute the contribution requirements for the year ended June 30, 1992 are the same as those used to compute the pension benefit obligation at June 30, 1991.

Contributions are made to the basic plan by both the City and employees. Employee contributions are mandatory. Employee contribution rates for 1992 varied from 7% to 8% as a percentage of covered salary except that General employees could elect to reduce their contributions in consideration of their anticipated Social Security benefit payments.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

The basic City contributions are the amounts deemed necessary on an actuarial basis to provide the Retirement System with assets sufficient to pay the basic benefits that are not provided for by employees' contributions, existing assets and the expected future returns on these assets. Employer contributions have been made in accordance with actuarially determined requirements. Total contribution requirements and contributions made for the year ended June 30, 1992 are presented in the following table as a percent of covered payroll and in dollars. Covered payroll during the year ended June 30, 1992 was \$840 million for General members, \$83 million for Police and \$66 million for Fire, for a total of \$989 million.

Contribution requirements (in thousands):

	Normal Cost		Unfunded Amortization		Total Contribution Requirements	
	Rate	Dollars	Rate	Dollars	Rate	Dollars
General	12.8%	\$107,098	7.1%	\$ 59,784	19.9%	\$166,882
Police	33.3	27,680	28.8	23,940	62.1	51,620
Fire	35.1	23,074	42.1	27,724	77.2	50,798
	16.0%	<u>\$157,852</u>	11.3%	<u>\$111,448</u>	27.2%	<u>\$269,300</u>

Contributions made (in thousands):

	Employee		Employer		Total Contributions Made	
	Rate	Dollars	Rate	Dollars	Rate	Dollars
General	6.9%	\$ 57,691	13.0%	\$109,191	19.9%	\$166,882
Police	7.3	6,042	54.8	45,578	62.1	51,620
Fire	7.2	4,770	69.9	46,028	77.2	50,798
	6.9%	<u>\$ 68,503</u>	20.3%	<u>\$200,797</u>	27.2%	<u>\$269,300</u>

Historical Trend Information—Trend information gives an indication of the progress made in accumulating assets to pay benefits when due. Ten year historical trend information on revenues by source and expenses by type is included in a supplemental schedule to the financial statement of the Retirement System. Additional historical trend information regarding funding of the Plan is as follows:

	As of or Year Ended June 30,					
	1992	1991	1990	1989	1988	1987
Ratio of net assets available for benefits to benefit obligation	(1)	84.8%	79.4%	75.2%	72.7%	68.3%
Ratio of unfunded pension benefit obligation to annual covered payroll	(1)	81%	113%	145%	150%	180%
Ratio of employer contributions to annual covered payroll	20.3%	25.2%	25.4%	27.1%	29.7%	30.7%

(1) Actuarial valuation not yet performed.

California Public Employees Retirement System

Various City public safety, Port, Airport and Redevelopment Agency employees participate in the State of California Public Employees Retirement System (PERS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating public entities within the State of California. The City's payroll for all employees covered under PERS for the year ended June 30, 1992 was \$49.1 million, or 4.35% of total payroll.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

Certain classes of City public safety, Port and Airport and all Redevelopment Agency employees are eligible to participate in PERS. Benefits vest after five years of service. Participating employees who retire at or after age 50 with 5 years of credited service are entitled to an annual retirement benefit, payable monthly for life using a step rate benefit formula, ranging from 1.092% of the employee's highest one year compensation for each year of service for retirement at age 50, to 2.418% of the employee's highest one year compensation for each year of service for retirement at age 63 or older. PERS also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute and local ordinance.

The pension benefit obligation was computed as part of an actuarial valuation performed as of June 30, 1991. Significant actuarial assumptions used in the valuation include (1) a rate of return on the investment of present and future assets of 8.75% a year compounded annually, (2) inflation element in wage increases of 4.5% a year compounded annually, (3) additional projected salary increases of 0.75% per year attributable to across the board real salary increases, (4) additional salary increases of 1.25% to 2.00% a year attributable to merit, and (5) post-retirement benefit increases equal to the annual cost of living adjustment to a maximum of 4%.

The assets in excess of pension benefit obligation applicable to City employees included in PERS was \$5.9 million at June 30, 1991 and was calculated as follows (in thousands):

Pension benefit obligation:

Retirees and beneficiaries currently receiving benefits	\$ 48,699
Current employees:	
Accumulated employee contributions	37,320
Employer-financed vested	43,553
Employer-financed nonvested	7,013
Total pension benefit obligation	136,585
Net assets available for benefits at cost (market value of \$157,980)	142,453
Assets in excess of pension benefit obligation	<u>\$ 5,868</u>

Contributions Required and Contributions Made—PERS uses the Entry Age Normal Actuarial Cost Method which is a projected benefit cost method that takes into account those benefits that are expected to be earned in the future as well as those already accrued.

According to this cost method, the normal cost for an employee is the level amount which would fund the projected benefit if it were paid annually from date of employment until retirement. PERS uses a modification of the Entry Age Cost Method in which the employer's total normal cost is expressed as a level percentage of payroll. PERS also uses the level percentage of payroll method to amortize any unfunded actuarial liabilities. The amortization period of the unfunded actuarial liability ends on June 30, 2000.

The significant actuarial assumptions used to compute the actuarially determined contribution requirements are the same as those used to compute the pension benefit obligation as previously described.

Contributions are made to the Plan by both the City and employees. Participating employees of the City are required to contribute 7% to 9% of their monthly salaries to PERS. For employees who are covered by Social Security, no contribution is required for the first \$133.33 per month. The City is

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

required to contribute the remaining amounts necessary to fund the benefits for its members. These amounts were (in thousands):

	Type of Employee	
	General	Safety
City contributions:		
Normal cost	\$ 681	\$ 9,285
As a percentage of covered payroll	9.2%	22.25%
Amortization of the unfunded actuarial accrued liability	\$ 94	\$ 152
As a percentage of covered payroll	1.3%	0.37%
Total City contributions	\$ 775	\$ 9,437
As a percentage of covered payroll	10.5%	22.62%
Employee contributions	\$ 527	\$ 3,569
As a percentage of covered payroll	7.15%	8.55%
Total contributions	\$1,302	\$13,006
As a percentage of covered payroll	17.65%	31.17%

The actual City contributions were reduced by approximately \$10.1 million in 1992 due to permitted usage of surplus assets.

Historical Trend Information—Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due. Systemwide ten-year trend information may be found in the California Public Employees Retirement System Annual Report.

	As of or year ended June 30,		
	1991	1990	1989
Ratio of net assets available for benefits to pension benefit obligation	104.30%	109.57%	114.38%
Ratio of over-funded pension benefit obligation to annual covered payroll	12.70%	35.10%	44.02%
Ratio of City contributions to annual covered payroll	20.63%	17.62%	15.68%

(b) *Deferred Compensation Plan*

The City and Redevelopment Agency offer their employees deferred compensation plans in accordance with Internal Revenue Code Section 457. The plans, available to all employees, permit them to defer a portion of their salary until future years. The deferred compensation is not available to employees or other beneficiaries until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the plans, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the City and Redevelopment Agency (without being restricted to the provisions of benefits under the plan), subject only to the claims of their general creditors. Participants' rights under the plans are equal to those of general creditors of the City and Redevelopment Agency in an amount equal to the fair market value of the deferred account for each participant. In the opinions of the respective legal counsels of the City and Redevelopment Agency, the governments have no liability for losses under the plans but have the duty of due care that would be required of an ordinary prudent investor. Neither the City nor the Redevelopment Agency believe it is likely that either will use the plan's assets to satisfy the claims of their general creditors in the future.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

Deferred compensation plan assets are included in investments with trustee in an agency fund. Of the \$193.1 million in the plan at June 30, 1992, \$190.1 million was applicable to the City and \$3.0 million was applicable to the Redevelopment Agency.

(c) *Postretirement Health Plan*

Health care benefits of employees, retired employees and surviving spouses are financed by beneficiaries and by the City through the Health Service System, the only nonexpendable trust fund. The City's contribution, which amounted to approximately \$83.5 million in FY 1991-92, is mandated and determined by Charter provision based on similar contributions made by the ten most populous counties in California. Included in this amount is \$22.2 million to provide postretirement health care benefits for 15,200 retired employees. The City's liability for both current employee and postretirement health care benefits is limited to its annual contribution. The City's contribution is paid out of current available resources and funded on a pay-as-you-go basis. In FY 1990-91 the City's contribution was \$20.3 million for 14,200 retired employees.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

(9) Segment Information for Enterprise Funds

The City maintains Enterprise Funds that provide water, sewage treatment, airport, public transportation, hospital, parking, and harbor services and facilities which are largely financed by user charges. Segment information for the year ended June 30, 1992 follows (in thousands):

	San Francisco International Airport	Port of San Francisco	Water Dept. / Hetch Hetchy Project	Municipal Railway	Laguna Honda Hospital	General Hospital Medical Center	Clean Water Program	Parking Garages / Other	Total
Operating revenues	\$162,266	\$ 33,982	\$164,988	\$ 84,475	\$83,483	\$165,907	\$ 85,998	\$16,235	\$ 797,334
Operating expense:									
Depreciation	28,833	4,644	19,885	24,011	1,123	4,884	23,511	713	107,604
Other	96,527	25,127	120,355	274,785	91,305	269,698	53,857	10,596	942,250
Operating income (loss) ..	36,906	4,211	24,748	(214,321)	(8,945)	(108,675)	8,630	4,926	(252,520)
Operating grants	—	—	1,150	60,313	—	13,500	—	—	74,963
Operating transfers (net) ..	(14,174)	—	(11,000)	119,250	8,235	89,431	4,632	(2,189)	194,185
Interest and other non-operating revenues (expenses)	(966)	(2,236)	1,763	11,239	—	717	(16,016)	(462)	(5,961)
Extraordinary items	(11,709)	—	(2,921)	—	—	—	—	—	(14,630)
Net income (loss)	\$ 10,057	\$ 1,975	\$ 13,740	\$(23,519)	\$ (710)	\$(5,027)	\$(2,754)	\$ 2,275	\$(3,963)
Current assets	\$248,638	\$ 31,226	\$107,501	\$ 53,551	\$13,198	\$ 17,698	\$ 31,278	\$21,373	\$ 524,463
Current liabilities	65,235	11,547	36,643	48,895	12,430	26,604	47,382	11,770	260,506
Net working capital	\$183,403	\$ 19,679	\$ 70,858	\$ 4,656	\$ 768	\$(8,906)	\$(16,104)	\$ 9,603	\$ 263,957
Total assets	\$954,960	\$242,979	\$908,554	\$621,632	\$22,481	\$ 61,150	\$1,495,334	\$90,421	\$4,397,511
Total liabilities	547,970	83,499	340,063	93,124	19,369	39,750	673,535	49,360	1,846,670
Fund equity	\$406,990	\$159,480	\$568,491	\$528,508	\$ 3,112	\$ 21,400	\$ 821,799	\$41,061	\$2,550,841
Contributed capital—beginning	\$108,122	\$ 75,357	\$ 47,542	\$342,737	\$ 8,448	\$ 56,741	\$ 672,259	\$ —	\$1,311,206
Federal, State and other capital grants	146	838	145	59,815	—	479	12,595	—	74,018
Depreciation on contributed assets	—	—	(1,181)	(21,051)	—	—	(14,777)	—	(37,009)
Contributed capital—ending	\$108,268	\$ 76,195	\$ 46,506	\$381,501	\$ 8,448	\$ 57,220	\$ 670,077	\$ —	\$1,348,215
Retained earnings (deficit)	\$298,722	\$ 83,285	\$521,985	\$147,007	\$(5,336)	\$(35,820)	\$ 151,722	\$41,061	\$1,202,626
Fixed asset additions	\$ 33,600	\$ 1,690	\$ 75,819	\$ 65,764	\$ 1,109	\$ 2,240	\$ 105,365	\$ 4,962	\$ 290,549
Net proceeds from sale of bonds	\$ 2,851	\$ —	\$101,868	\$ —	\$ —	\$ —	\$ 165,821	\$ 6,800	\$ 277,140
Total debt outstanding	\$487,419	\$ 70,962	\$292,899	\$ 10,056	\$ 1,319	\$ 3,087	\$ 618,301	\$37,494	\$1,521,537

(a) San Francisco International Airport

Pursuant to an agreement with certain airlines, the Airport makes an annual payment to the City's General Fund equal to 15% of concessionaire revenue, but not less than \$5 million per fiscal year. The amount transferred to the General Fund during FY 1991-92 was \$14.2 million.

During FY 1991-92, the Airport received notice that it was retroactively approved to receive \$13.6 million from the Federal Emergency Management Agency and the State of California Office of Emergency Services. The amount recognized as non-operating income during FY 1991-92 totaled \$8.6 million.

In March 1992, the Airport issued \$222.6 million of Second Series Refunding Revenue Bonds, Issue 1 to advance refund \$112.9 million and \$102.6 million of outstanding Series A and Series C Revenue Bonds, respectively (note 7).

Purchase commitments for construction, materials and services at June 30, 1992 were \$14.6 million.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

(b) *Port of San Francisco*

Prior to 1969 the Port of San Francisco was owned by the State of California. At that time the Port was transferred to the City under terms and conditions of legislation as ratified by the electorate of the City. Accordingly, the City assumed all debt, including State of California general obligation bonds, from the State at the date of transfer; this debt amounted to \$5.1 million at June 30, 1992. The State retains the right to amend, modify or revoke the transfer provided that it assumes all related lawful obligations.

The Port is currently planning various development projects which involve a commitment to expend significant funds. Purchase commitments for construction, materials and services at June 30, 1992 were \$9.5 million.

(c) *Water Department/Hetch Hetchy Project*

The segment data presented reflects the combined statements of the Water Department/Hetch Hetchy Project (Water/Hetch Hetchy), whose operations are interrelated. The Hetch Hetchy Project is a system of reservoirs and hydroelectric generating stations and the related distribution systems; it provides the Water Department with its water for San Francisco and other municipalities and sells electric power to City departments and to public and private agencies. Water/Hetch Hetchy charges for services in FY 1991-92 to other City entities were \$41.7 million. Water sales to suburban customers were \$49.7 million.

The property tax levy of the City includes amounts to pay annual bond interest and redemption charges on general obligation bonds of Water/Hetch Hetchy, which are included in the Water/Hetch Hetchy Enterprise Fund. Water/Hetch Hetchy transfers a like amount to the General Fund, as described in note 5.

Income from Water/Hetch Hetchy is available for certain operations of the City. During the year ended June 30, 1992, \$11 million was transferred to the General Fund in addition to the amount described above.

The Hetch Hetchy Project has a back-up electric power contract with Pacific Gas & Electric (PG&E) which allows Hetch Hetchy to provide guaranteed power to City entities and third party customers. The contract pricing may be retroactively adjusted by PG&E based on its own costs. Adjustments are recorded as expenses in the year in which they are received.

During FY 1991-92 the Water Department issued \$107.2 million of revenue bonds pursuant to a crossover refunding of 1987 Water Revenue Refunding Bonds (note 7).

Purchase commitments for construction, materials and services at June 30, 1992 were \$20.4 million.

(d) *Municipal Railway*

The segment data reflects the combined operations of the San Francisco Municipal Railway (Muni) and the San Francisco Municipal Railway Improvement Corporation (SFMRIC). SFMRIC is a nonprofit corporation organized for the purpose of acquiring, constructing, improving and financing improvements to the City's public transportation system. The City's Annual Appropriation Ordinance provides funds to subsidize Muni's operating deficits as determined under the City's budgetary accounting procedures, subject to the appropriation process.

Power, maintenance and construction costs valued at \$5 million for overhead distribution lines used to operate certain Muni vehicles were provided by the Hetch Hetchy Project at no cost to Muni for FY 1991-92.

The Muni collects fees which are intended to recover the capital and/or operating costs of increased peak period transit service associated with new office construction in downtown San Francisco. Several legal actions questioning the legality of these fees have been decided in favor of Muni. The one remaining lawsuit has been decided in favor of Muni but is under appeal; the related cash receipts were placed in

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

escrow, and income recognition in the amount of \$4.6 million has been deferred for the year ended June 30, 1992. An allowance of one percent of fees assessed has been provided for the possibility of paying refunds for the conversion of buildings to non-office use. The amount recognized as income in FY 1991-92, including interest, was \$9.1 million and is reported as non-operating revenue.

As of June 30, 1992, the Municipal Railway had various approved capital grants with unused balances amounting to \$164.8 million available to finance various improvements. Contract commitments were \$125 million at June 30, 1992.

The State Public Utilities Code provides that fare revenues must equal or exceed 33% of operating costs in order to qualify for allocation of sales tax revenues available for public transit. However, state law provides that a portion of the City's subsidy may count toward meeting the 33% requirement, subject to annual approval. Muni did not meet this specified percentage of fare revenue in FY 1991-92, and has requested inclusion of the subsidy. No response has been received. Muni management believes no liability will result.

(e) Laguna Honda Hospital

The operations of Laguna Honda Hospital, an acute health care facility specializing in serving elderly and disabled residents, were established as an enterprise fund on July 1, 1983. As with other subsidized enterprises, the City's policy is to fund Laguna Honda's operating deficits on a budgetary basis, subject to the appropriation process.

During FY 1991-92, the State of California "realigned" its support of health and welfare services, replacing grants to counties with an allocation of state-collected vehicle license fees and sales tax. These revenues replace Assembly Bill 8 funds, which were eliminated under realignment.

(f) General Hospital Medical Center

The City's policy provides for the General Fund to fund operating deficits of the General Hospital Medical Center (Hospital), as determined in accordance with the City's budgetary accounting procedures, subject to the appropriation process.

During FY 1991-92, the State of California "realigned" its support of health and welfare services, replacing grants to counties with an allocation of state-collected vehicle license fees and sales tax. These revenues replace Assembly Bill 8 funds, Medically Indigent Adult funds and the State Legalization Impact Assistance Grant, which were eliminated under realignment.

The Hospital received short-term loans from the California Health Facilities Financing Authority, which has sold revenue bonds to fund loans to various California hospitals in FY 1990-91. The outstanding balance at June 30, 1991 of \$69.0 million was paid off on October 1, 1991.

(g) Clean Water Program

The Clean Water Program Enterprise Fund was established pursuant to bond resolutions to account for the whole of the municipal sewage treatment and disposal system, including a major construction program currently underway.

A substantial part of the cost of the total construction program has been and is expected to be provided by capital grants from the United States Environmental Protection Agency and capital grants and loans from the California State Water Resources Control Board. The Clean Water Program's portion of financing has been and is expected to be provided from revenue bond proceeds.

To provide for possible deferral or discontinuance of Federal and state grant funds, Clean Water management has developed a schedule consistent with its Master Plan that builds operating core

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

systems on both sides of the City. Both systems are operational and achieve 93% of the environmental benefits of the Master Plan. These systems will be interconnected and enlarged in incremental stages to ensure functioning units while implementing the Master Plan program. The completed two-core system is expected to cost \$1,393 million. Funding is available through loans, existing grants and Enterprise Funds. As of June 30, 1992, the Clean Water Program had outstanding construction contract commitments of \$57.4 million.

The Clean Water Program has entered into several loan contracts with the California State Water Resources Control Board under which it can borrow up to \$145.2 million to finance the Oceanside Water Pollution Control Plant and the Mariposa and Lake Merced Facilities. The interest rates would not exceed 3.5% per annum. As of June 30, 1992 the Clean Water Program had borrowed \$108.0 million under the loan contracts.

The City is currently operating under Cease and Desist Orders imposed by the San Francisco Bay Regional Water Quality Control Board which contain project schedules leading to compliance with all provisions of the Federal Water Pollution Control Act by 1996. The Clean Water Program management believes that, given the assumed level of grant, bond and loan funding, the City will comply with the Orders.

On October 3, 1991 the Clean Water Program sold \$170.0 million General Purpose Sewer Revenue Bonds to provide additional financing for facilities required under the Cease and Desist Orders.

During FY 1991-92, an operating transfer of \$4.6 million was made from the City's Debt Service Fund to provide for general obligation debt service of the Clean Water Program. The City has approved an operating transfer of \$4.6 million for FY 1992-93.

(h) *Parking Garages/Other*

The segment data reflects the operations of five parking garages operated by separate nonprofit corporations organized by the City. This segment data also includes the San Francisco Market Corporation, a nonprofit corporation organized to acquire, construct, finance and operate a produce market, and the Redevelopment Agency's South Beach Harbor Project, an enterprise fund established to commercially develop an area of the Bay waterfront and operate a boat harbor. All of the nonprofit corporations had net income for their most recent fiscal year.

(10) San Francisco Redevelopment Agency

The Agency is a public body, corporate and politic, organized and existing under the Community Redevelopment Law of the State of California. Since its organization in 1948, the Agency has completed or nearly completed redevelopment plans for six redevelopment project areas and has six redevelopment plans now being implemented. The redevelopment process, which seeks to increase the City's housing and tax base while accommodating needed public projects, has been applied to approximately 4% of the City's total land area. The Agency has adopted as its current mission the creation of affordable housing and economic development opportunities citywide.

The Agency has no direct taxing power and does not have the power to pledge the general credit or taxing power of the City, the State of California or any political subdivision thereof. However, California's Health and Safety Code allows redevelopment agencies to recover costs of financing public improvements from increased tax revenues associated with individual project areas' increased property values. During the year, the Agency received \$7.2 million from this source, \$6.3 million of which was recognized as revenue, including amounts deferred in the prior year. This amount is less than the full amount of the tax increment in the project areas as it is determined under an indebtedness limitation agreement with the City. The Agency's other primary sources for funding urban development include rent, interest and

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

proceeds from the sale of land acquired for redevelopment. The following is a financial summary of the Agency's Capital Projects Fund at June 30, 1992 (in thousands).

ASSETS		OPERATIONS	
Deposits, investments and other assets	\$117,760	Revenues:	
Property held for resale and/or lease	92,042	Tax Increment	\$ 6,332
Total assets	\$209,802	Land sales proceeds	999
		Investment earnings	6,471
		Rent	4,239
		Other	776
			18,817
		Expenditures — Capital Outlay	47,776
		Excess of expenditures over revenues	(28,959)
		Other financing sources (uses):	
		Proceeds from the Issuance of General	
		Obligation Notes	30,000
		Loan Proceeds from Redevelopment Financing	
		Authority	26,998
		Transfer to Debt Service Fund	(14,148)
		Transfer To Enterprise Fund	(598)
		Transfer from Debt Service Fund	3,000
		Excess of revenues and other sources over	
		expenditures and other uses	16,293
		Fund balance at beginning of year	148,581
		Net change in reserve for assets not available for	
		appropriation	(1,894)
		Fund balance at end of year	\$162,980

During FY 1991-92, the City and County of San Francisco Redevelopment Financing Authority (Authority), which is a separate public entity pursuant to a joint exercise of powers agreement with the City, sold \$27.0 million in tax allocation revenue bonds, proceeds of which were loaned to the Agency to finance capital improvements and provide working capital in the Western Addition A-2, Rincon Point-South Beach, Hunters Point, India Basin, South of Market and Yerba Buena Center project areas. Loan payments to the Authority equal debt service payments, and are secured by property tax increment revenues. Because the loan transaction is entirely within the financial reporting entity, it has been eliminated in the combined financial statements. The Authority is accounted for as a debt service fund.

During FY 1991-92, the Agency sold \$30.0 million of general obligation notes to provide financing for capital improvements in the Yerba Buena Center Project Area, specifically the construction of a theater and visual arts center. Construction activity is accounted for as an expenditure in the Agency's Capital Projects Fund and as construction in progress in its General Fixed Asset Account Group. The buildings are expected to be completed in October 1993.

During FY 1991-92, the Agency augmented its citywide housing fund by \$8.8 million. These funds will be used to fund conditional grants or other subsidies to acquire, improve or construct housing for homeless and low and moderate income persons outside redevelopment project areas. The grants are contingent upon 50 year affordability restrictions on qualifying tenant incomes and allowable rents.

In order to facilitate construction and rehabilitation within the project areas, the Agency has issued various construction loan notes, promissory notes, mortgage revenue bonds, and special assessment bonds with an aggregate outstanding balance of \$425.3 million at June 30, 1992. These obligations are

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

secured by the related mortgage indebtedness or property and, in the opinion of management, are not obligations of the Agency or City.

The Agency has commitments under contracts for capital improvements of \$48.3 million at June 30, 1992.

(11) Due From and Due To Other Funds

Amounts due from or due to other funds at June 30, 1992 are as follows (in thousands):

	Due From Other Funds	Due To Other Funds		Due From Other Funds	Due To Other Funds
General Fund	\$ 21,974	\$ 84,690	Enterprise Funds:		
Special Revenue Funds:			San Francisco International Airport	\$ —	\$ 6,460
Hotel Tax Fund	—	11,931	Port of San Francisco	114	426
Gasoline Tax Fund	217	3,477	Water Department/Hetch Hetchy		
Convention Facilities Fund	7,723	389	Project	620	4,094
Open Space and Park Fund	15	1,442	Municipal Railway	31,649	7,299
Community Development Block			Laguna Honda Hospital	136	3,344
Grant Fund	446	899	General Hospital Medical Center ..	27,067	2,658
Senior Citizens' Programs Fund ..	1,512	27	Clean Water Program	1,101	6,350
Candlestick Park Fund	850	790	Parking Garages/Other	83	5,327
Special Recreation and Park Revenue Fund	1,720	1,060		<u>60,770</u>	<u>36,158</u>
San Francisco County Transportation			Internal Service Funds:		
Authority Fund	108	445	Data Processing Fund	3,223	279
Building Inspection Fund	27	1,418	Central Shops Fund	3,353	78
Health and Human Services Fund ..	—	1,962	Other Internal Service Funds	664	99
Off-Street Parking Fund	567	261		<u>7,240</u>	<u>456</u>
State Department of Transportation			Fiduciary Funds:		
Fund	—	9,994	Employees' Retirement System	266	74
State Housing and Community Development Fund	—	—	Health Service System	—	1,618
Department of Health Fund	1,580	182	Expendable Trust Fund—Gift Fund	51	191
Miscellaneous Federal Grant Funds	33	45	Expendable Trust Fund—		
Miscellaneous State Grant Funds ..	108	2,792	Fuhrman Bequest Fund	26	6
Other Special Revenue Funds	44,577	4,230	Agency Funds:		
	<u>59,483</u>	<u>41,344</u>	Payroll Deduction Fund	—	1,003
Debt Service Funds:			Unapportioned Taxes Fund	6	—
Moscone Lease Revenue Bonds			Deposits Fund	127	1
Fund	255	—	Assistance Program Fund	1	533
	<u>255</u>	<u>—</u>	School and College District Fund	76	802
Capital Projects Funds:			Construction Deposits Fund	—	20,706
Redevelopment Agency Fund	1,844	899	Other Agency Funds	949	1,051
Street Improvement Fund	17,997	1,576		<u>1,502</u>	<u>25,985</u>
City Facility Improvement Fund	2,559	3,160	Total	<u>\$194,763</u>	<u>\$194,763</u>
Recreation and Park Projects Fund	42	408			
Moscone Convention Center Fund	20,451	—			
Other Capital Projects Funds	646	87			
	<u>43,539</u>	<u>6,130</u>			

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

(12) Commitments and Contingent Liabilities

(a) Claims and Litigation

Numerous lawsuits related to the governmental fund types are pending or threatened against the City. The City Attorney estimates the amount of liability determined to be probable of occurrence as of June 30, 1992, in accordance with Statement of Financial Accounting Standards No. 5, to be approximately \$46.0 million. Claims and litigation in the governmental fund types approximating \$20.0 million are estimated to be payable in the next year and are included as liabilities of the General Fund. The remainder is included in the General Long-Term Obligations Account Group. The recorded liability is the City's best estimate based on available information and may be revised as further information is obtained and as pending cases are litigated.

The City Attorney estimates that certain other pending cases have a reasonable possibility (defined as more than remote but less than likely) of resulting in additional liability in the aggregate amount of \$33.4 million. This amount is not recorded in the accompanying financial statements because the status and/or facts of these cases are such that it is not probable that a loss has been incurred as of June 30, 1992.

The Municipal Railway self-insures for estimated accident claims. Estimated accident claims payable amounted to approximately \$13.1 million as of June 30, 1992. Estimated claims payable in other Enterprise Funds were \$6.7 million. The Health Service System had estimated claims payable of \$10.4 million for direct provider care services at June 30, 1992.

(b) Grants and Subventions

Receipts from Federal and state grants and other similar programs are subject to audit to determine if the monies were expended in accordance with appropriate statutes, grant terms and regulations. The City believes that no significant liabilities will result.

(c) Insurance

For its general governmental activities, Clean Water Program, Laguna Honda Hospital and General Hospital Medical Center, the City self-insures all general liability risks including medical malpractice and substantially all its property risks except for limited excess coverage maintained on certain facilities. Payment of claims is provided through annual appropriations which are based on claims payment experience, and supplemental appropriations.

Limited external insurance coverage is maintained by the San Francisco Redevelopment Agency, San Francisco International Airport, Port of San Francisco, Water Department/Hetch Hetchy Project and Municipal Railway. Additionally, coverage is maintained for Moscone Convention Center property and personal liability, and for art at City-owned museums.

The City self-insures for workers' compensation coverage. The City estimates claims liability based on current industry practice, including an estimate for incurred but not recorded claims. The total amount estimated to be payable for claims incurred as of June 30, 1992 was \$115.9 million which is reported in the appropriate individual funds and the General Long-Term Obligations Account Group in accordance with the City's accounting policies (note 2).

(d) Capital Leases

The City has entered into a lease agreement as lessee for financing the acquisition of telephone equipment. The City has also financed certain computer equipment in the Data Processing Internal Service Fund. These agreements qualify as capital leases for accounting purposes and, therefore, have

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS—(Continued)

been recorded in the financial statements as fixed assets and related lease debt. Future capital lease payment requirements are included in note 7.

(e) Operating Leases

The City has operating leases for certain buildings and data processing equipment which are not material to the City's operations. The Airport, Port, Redevelopment Agency and two parking garages lease land and various facilities to tenants and concessionnaires who will provide the following minimum annual payments (in thousands):

<u>Fiscal Years</u>	<u>Amount</u>
1993	\$ 47,331
1994	40,486
1995	28,282
1996	14,977
1997	13,229
Thereafter	296,689
	<u>\$440,994</u>

(f) Deficit Fund Balances/Retained Earnings

At June 30, 1992, the two hospital enterprise funds, Laguna Honda Hospital and General Hospital Medical Center, had accumulated deficits of \$5.3 million and \$35.8 million, respectively. The City's policy is to fund operating deficits on a budgetary basis, which approximates the modified accrual basis of accounting. Accordingly, depreciation and certain non-current accrued expenses are not funded, resulting in continuing deficits. The Senior Citizens' Programs Special Revenue Fund had a deficit fund balance of \$0.5 million at June 30, 1992. FY 1992-93 operations will absorb the deficit by appropriate budget restrictions.

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**Combining, Individual Fund and
Individual Account Group Financial
Statements and Schedules**

CITY AND COUNTY OF SAN FRANCISCO

GENERAL FUND

The General Fund accounts for resources that are traditionally associated with governments and that are not required to be accounted for in another fund. Consequently, revenues and expenditures of the Traffic Fines and the Welfare Assistance and Administration Funds are accounted for in the General Fund.

CITY AND COUNTY OF SAN FRANCISCO

GENERAL FUND

Comparative Balance Sheet

June 30, 1992 and 1991

(In Thousands)

ASSETS

	<u>1992</u>	<u>1991</u>
Deposits and investments	\$ 65,532	\$ 1,449
Receivables (net of allowance for uncollectible amounts of \$7,768 in 1992)		
Property taxes and penalties	53,122	48,669
Other local taxes	75,596	80,397
Federal and state grants and subventions	35,009	22,345
Charges for services	2,556	2,161
Interest and other	1,159	3,431
Due from other funds	21,974	72,540
Loans receivable	150	—
Inventories	292	236
Deferred charges and other assets	936	967
Total assets	<u>\$256,326</u>	<u>\$232,195</u>

LIABILITIES

Accounts payable	\$ 12,650	\$ 14,015
Accrued payroll	16,637	39,589
Accrued vacation and sick leave pay	24,550	30,167
Accrued workers' compensation	19,000	15,000
Estimated claims payable	20,040	23,708
Deferred tax, grant and subvention revenues	55,581	39,749
Due to other funds	84,690	25,530
Deferred credits and other liabilities	19,350	18,355
Total liabilities	<u>252,498</u>	<u>206,113</u>

FUND EQUITY

Fund balances:		
Reserved by charter for cash requirements	52,324	48,534
Reserved by charter for emergencies	4,498	4,862
Reserved for inventory type assets not available for appropriation	2,104	1,808
Reserved for encumbrances	14,163	19,494
Reserved for appropriation carryforward	5,217	5,714
Reserved for subsequent years' budgets	4,047	9,981
Unreserved—undesignated (deficit)	<u>(78,525)</u>	<u>(64,311)</u>
Total fund equity	<u>3,828</u>	<u>26,082</u>
Total liabilities and fund equity	<u>\$256,326</u>	<u>\$232,195</u>

CITY AND COUNTY OF SAN FRANCISCO
GENERAL FUND
Comparative Statement of Revenues, Expenditures
and Changes in Fund Balance
Years ended June 30, 1992 and 1991

(In Thousands)

	<u>1992</u>	<u>1991</u>
Revenues:		
Property taxes	\$ 457,971	\$ 441,639
Business taxes	142,093	156,394
Other local taxes	171,771	171,190
Grants, subventions and other allocations	426,228	361,840
Licenses, fines and penalties	51,355	46,584
Interest and investment earnings	15,305	18,810
Charges for services	30,839	29,385
Other	8,235	11,094
Total revenues	<u>1,303,797</u>	<u>1,236,936</u>
Expenditures:		
Public protection	447,493	466,112
Public works, transportation and commerce	32,838	31,462
Human welfare and neighborhood development	279,214	269,142
Community health	188,035	158,098
Culture and recreation	63,690	65,896
General administration and finance	131,410	123,239
Total expenditures	<u>1,142,680</u>	<u>1,113,949</u>
Excess of revenues over expenditures	<u>161,117</u>	<u>122,987</u>
Other financing sources (uses):		
Operating transfers in	47,945	42,778
Operating transfers out	<u>(236,884)</u>	<u>(230,640)</u>
	<u>(188,939)</u>	<u>(187,862)</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(27,822)	(64,875)
Fund balances at beginning of year	26,082	90,635
Net change in reserve for inventory type assets not available for appropriation	296	322
Residual equity transfers in	5,272	—
Fund balances at end of year	<u>\$ 3,828</u>	<u>\$ 26,082</u>

CITY AND COUNTY OF SAN FRANCISCO

GENERAL FUND

**Schedule of Expenditures and Encumbrances by Department—
Budget and Actual—Budget Basis
Year ended June 30, 1992**

(In Thousands)

	Revised Budget	Actual	Variance- Favorable (Unfavorable)
Public Protection			
District Attorney	\$ 22,277	\$ 22,023	\$ 254
Public Defender	8,253	8,191	62
Sheriff	36,232	36,232	—
Superior Court	19,574	19,190	384
Municipal Court	20,895	19,802	1,093
Juvenile Court	16,300	15,953	347
Adult Probation	5,898	5,721	177
County Clerk	4,993	4,992	1
Fire Department	141,247	133,062	8,185
Police Department	184,111	177,212	6,899
County Agriculture/Weights and Measures	726	693	33
Animal Care and Control	2,057	1,903	154
Public Administrator/Guardian	2,125	2,058	67
	<u>464,688</u>	<u>447,032</u>	<u>17,656</u>
Public Works, Transportation and Commerce			
Parking and Traffic Commission	12,077	11,030	1,047
Permit Appeals	260	258	2
PUC Light, Heat and Power	4,463	4,107	356
Electricity	5,908	5,908	0
Public Works	11,947	11,206	741
	<u>34,655</u>	<u>32,509</u>	<u>2,146</u>
Human Welfare and Neighborhood Development			
Human Rights Commission	1,763	1,644	119
Social Services	296,852	277,804	19,048
Commission on the Status of Women	612	608	4
	<u>299,227</u>	<u>280,056</u>	<u>19,171</u>
Community Health			
Medical Examiner/Coroner	2,855	2,822	33
Public Health Central Office	62,383	58,984	3,399
Community Mental Health	128,602	126,661	1,941
	<u>193,840</u>	<u>188,467</u>	<u>5,373</u>
Culture and Recreation			
County Education Office	1,711	1,711	—
Art Commission	1,359	1,294	65
Public Library	20,474	20,369	105
Recreation and Park Commission	34,299	34,299	—
Academy of Sciences	798	758	37
Fine Arts Museum	4,236	4,235	1
Asian Art Museum	1,395	1,348	47
Law Library	203	138	65
	<u>65,472</u>	<u>65,152</u>	<u>320</u>
General Administration and Finance			
Board of Supervisors	5,373	4,858	515
Assessor	6,379	5,990	389
City Attorney	6,178	5,937	241
Treasurer/Tax Collector	11,566	11,308	258
Controller	17,750	17,240	510
Mayor	6,649	6,207	442
City Planning	6,604	5,832	772
Civil Service	7,615	7,522	93
Retirement System—Workers' Compensation Division	17,883	17,598	285
Chief Administrative Office	1,097	1,039	58
Real Estate	2,217	2,178	39
Recorder	847	800	47
Registrar	3,742	3,718	24
Purchaser	3,012	3,011	1
General City Responsibility*	49,527	38,475	11,052
	<u>146,439</u>	<u>131,713</u>	<u>14,726</u>
Total General Fund	<u>\$1,204,321</u>	<u>\$1,144,929</u>	<u>\$59,392</u>

* Includes general claims liability, post retirement benefits and data processing costs.

CITY AND COUNTY OF SAN FRANCISCO
GENERAL FUND
Schedule of Budget Appropriation Changes
Year ended June 30, 1992
(In Thousands)

	Original Budget (a)	Supple- mental Appro- priations	Carryforward Appropriations		Revised Budget
			Beginning	Ending	
Revenues:					
Property taxes	\$ 478,459	\$ —	\$ —	\$ —	\$ 478,459
Business taxes	154,600	—	—	—	154,600
Other local taxes	188,979	799	—	—	189,778
Grants, subventions and other allocations	365,983	99,228	4,428	2,081	467,558
Licenses, fines and penalties	67,146	—	—	—	67,146
Interest and investment earnings ..	16,238	1,476	(24)	—	17,690
Charges for services	35,471	(780)	269	—	34,960
Other	9,165	—	—	—	9,165
Total revenues	<u>1,316,041 (b)</u>	<u>100,723</u>	<u>4,673</u>	<u>2,081</u>	<u>1,419,356</u>
Expenditures and encumbrances:					
Public protection	460,341	2,907	4,530	3,090	464,688
Public works, transportation and commerce	34,100	234	410	89	34,655
Human welfare and neighborhood development	279,318	17,228	2,681	—	299,227
Community health	165,659	26,775	1,819	413	193,840
Culture and recreation	64,527	57	1,117	229	65,472
General administration and finance	<u>110,739</u>	<u>35,712</u>	<u>3,376</u>	<u>3,388</u>	<u>146,439</u>
Total expenditures and encumbrances	<u>1,114,684</u>	<u>82,913</u>	<u>13,933</u>	<u>7,209</u>	<u>1,204,321</u>
Excess (deficiency) of revenues over (under) expenditures and encumbrances	<u>201,357</u>	<u>17,810</u>	<u>(9,260)</u>	<u>(5,128)</u>	<u>215,035</u>
Other financing sources (uses):					
Operating transfers in	27,286 (c)	17,901	4,217	482	48,922
Operating transfers out	<u>(200,448)</u>	<u>(72,965)</u>	<u>(671)</u>	<u>(571)</u>	<u>(273,513)</u>
	<u>(173,162)</u>	<u>(55,064)</u>	<u>3,546</u>	<u>(89)</u>	<u>(224,591)</u>
Excess (deficiency) of revenues and other sources over (under) expenditures, encumbrances and other uses	<u>28,195</u>	<u>(37,254)</u>	<u>(5,714)</u>	<u>(5,217)</u>	<u>(9,556)</u>
Fund balances at beginning of year	73,655	—	—	—	73,655
Residual equity transfers in	—	5,272	—	—	5,272
Fund balances at end of year	<u>\$ 101,850</u>	<u>\$ (31,982)</u>	<u>\$ (5,714)</u>	<u>\$ (5,217)</u>	<u>\$ 69,371</u>

- (a) Certain reclassifications have been made to the original budget to conform to City accounting procedures.
- (b) Differs from the Annual Appropriations Ordinance due to \$254.9 million of budgeted revenues for Welfare Assistance and Administration and Traffic Fines, included as General Fund revenue because related expenditures are General Fund expenditures.
- (c) Includes \$25.0 million considered to be equity or contribution transfers in the Annual Appropriation Ordinance.

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes. Fifteen major funds are separately identified representing 87.7% of the combined revenues of the Special Revenue Funds. Three groupings of smaller funds are reported for miscellaneous Federal and state grants and other minor funds. Operations of those three fund groupings are shown in a separate schedule.

Hotel Tax Fund—Accounts for the portion of the hotel room tax not allocated directly to the General Fund. Allocations from this fund are controlled by continuing ordinance. Fifty-two percent is designated for lease payments of the Moscone Center in the Yerba Buena Center Redevelopment Project Area and operating costs of the various convention facilities: Moscone Center, Brooks Hall and the Civic Auditorium. Seventeen and six-tenths percent is retained in the Hotel Tax Fund for promotional and advertising expenses. Ten percent goes to the War Memorial Fund for certain operating costs. The San Francisco Stadium, Inc. receives 6.23% for improvement of and debt service for Candlestick Park. Another 6.23% is designated for low income housing in Yerba Buena Center Redevelopment Project Area, together with specific lump sum allocations for limited purposes related to housing. The remainder is transferred to the General Fund for specific costs or undesignated general uses.

Gasoline Tax Fund—Accounts for the subventions received from state gas taxes under the provision of the Streets and Highways Code and for operating transfers from other funds which are used for the same purposes. State subventions are restricted to uses related to local streets and highways, acquisitions of real property, construction and improvements, and maintenance and repairs.

Convention Facilities Fund—Accounts for operating transfers from the Hotel Tax Fund and for operating revenues of the convention facilities: Moscone Center, Brooks Hall and the Civic Auditorium. In addition to transfers for lease payments of the Moscone Center, this fund provides for operating costs of the various convention facilities and the San Francisco Convention and Visitors Bureau.

Open Space and Park Fund—Accounts for property tax revenues designated by Charter provision, interest earnings and miscellaneous service charges and gifts. Monies in this fund are used as specified in the charter for acquisition and development of parks and open space parcels, for renovation of existing parks and recreation facilities, for maintenance of properties acquired and for after-school recreation programs.

Community Development Fund—Accounts for Federally funded grants from the Department of Housing and Urban Development to provide for community development of rundown areas; to promote new housing, child care centers and public recreation areas; to provide a variety of social programs for the underprivileged; and provide loans for various community development activities.

Senior Citizens' Programs Fund—Accounts for revenues from the allocation of one-fourth of the parking tax receipts and for grants from the state to be used to promote the well-being of San Francisco senior citizens.

Candlestick Park Fund—Accounts for operating transfers from the Hotel Tax Fund and for revenues generated by operations at Candlestick Park used for certain operating costs and project expenditures.

Special Recreation and Park Revenue Fund—Accounts for revenues received from lease of all Recreation and Park Department facilities and from other uses of Department property with revenues used for certain specified operating costs.

San Francisco County Transportation Authority Fund—Accounts for the proceeds of a one-half of one percent increase in local sales tax authorized by the voters for mass transit and other traffic and transportation purposes.

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS—(Continued)

Building Inspection Fund—Accounts for the revenues and expenditures of the Bureau of Building Inspection which provides enforcement and implementation of laws regulating the use, occupancy, location and maintenance of buildings.

Health and Human Services Fund—Accounts for grants from the Department of Health and Human Services in the areas of health, education and welfare.

Off-Street Parking Fund—Accounts for parking meter revenues and expenditures for off-street parking purposes including administration, maintenance and operation of neighborhood parking lots and garages.

Department of Transportation Fund—Accounts for various pass-through grants from Federal Aid Urban funds for the renovation of City streets. Initially the fund accounted for projects under the five-year Federal Aid Urban Systems Program; currently the fund accounts for earthquake related grants for similar uses.

State Housing and Community Development Fund—Accounts for various grants used to promote local housing requirements and community development planning.

Department of Health Fund—Accounts for various state grants used to promote public health and mental health programs.

Miscellaneous Federal Grant Funds—Accounts for various grants from the Federal government used or expended for a specific purpose, activity or facility. Included in this group are seven funds which represent 1.2% of the combined revenues of the Special Revenue Funds. The largest of this group is 0.7% of the total.

Miscellaneous State Grant Funds—Accounts for various grants from the State of California used or expended for a specific purpose, activity or facility. Included in this group are eleven funds which represent 3.1% of the combined revenues of the Special Revenue Funds. The largest of this group is 1.3% of the total.

Other Special Revenue Funds—Accounts for the activities of sixty-three non-grant Special Revenue Funds, generally established by administrative action, which include 9.4% of the combined revenues of the Special Revenue Funds. The largest fund in this group is 1.2% of the total. Most of these funds are not budgeted annually because the revenue source is not certain as of the beginning of the fiscal year, or because departments have limited expenditure authority for specific revenue sources.

The fifteen funds which do have annual budgets are:

1. Animal Control and Welfare Fund
2. Cable Television Access Development Fund
3. Taxicab Enforcement Fund
4. Rent Arbitration Board Fund
5. Representative Payee Program Fund
6. Marina Yacht Harbor Fund
7. War Memorial Special Fund
8. Museums Admissions Fund
9. Street Artist Program Fund
10. Market Street Art Maintenance Fund
11. Youth Arts Fund
12. Sheriff's Special Maintenance Fund
13. Domestic Violence Program Fund
14. Automated Traffic Warrant Fund
15. State Authorized Special Revenue Fund

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CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Combining Balance Sheet

June 30, 1992

With comparative totals as of June 30, 1991

(In Thousands)

ASSETS

	Hotel Tax Fund	Gasoline Tax Fund	Convention Facilities Fund	Open Space and Park Fund	Community Development Fund	Senior Citizens' Programs Fund	Candlestick Park Fund	Special Recreation and Park Revenue Fund	San Francisco County Transportation Authority Fund	Building Inspection Fund
Deposits and investments	\$ 476	\$13,975	\$20,510	\$29,680	\$ 2,144	\$ (2,585)	\$3,169	\$1,422	\$80,740	\$7,277
Investments with trustee	—	—	319	—	1,817	—	—	—	—	—
Receivables (net of allowance for uncollectible amounts of \$206 in 1992):										
Property taxes and penalties	—	—	—	1,202	—	—	—	—	—	—
Other local taxes	13,366	—	—	—	—	1,157	—	—	2,980	—
Federal and state grants and subventions	—	—	—	—	6,368	250	—	—	—	—
Interest and other	—	198	798	530	686	—	184	914	1,449	128
Due from other funds	—	217	7,723	15	446	1,512	850	1,720	108	27
Loans receivable	—	—	836	500	31,614	—	—	—	—	—
Inventories	—	—	—	—	—	—	—	16	—	—
Deferred charges and other assets	—	—	—	—	1,282	—	—	1	733	—
Total assets	<u>\$13,842</u>	<u>\$14,390</u>	<u>\$30,186</u>	<u>\$31,927</u>	<u>\$44,357</u>	<u>\$ 334</u>	<u>\$4,203</u>	<u>\$4,073</u>	<u>\$86,010</u>	<u>\$7,432</u>

LIABILITIES

Accounts payable	\$ 246	\$ 591	\$ 1,073	\$ 102	\$ 1,328	\$ 573	\$ 177	\$ 593	\$ 129	\$ 420
Accrued payroll	8	149	14	204	73	29	25	2	7	—
Accrued vacation and sick leave pay	—	—	—	—	—	—	—	—	—	—
Deferred tax, grant and subvention revenues	—	—	—	—	6,809	186	—	—	—	—
Due to other funds	11,931	3,477	389	1,442	899	27	790	1,060	445	1,418
Deferred credits and other liabilities	—	—	5,479	953	34,511	—	—	568	—	—
Total liabilities	<u>12,185</u>	<u>4,217</u>	<u>6,955</u>	<u>2,701</u>	<u>43,620</u>	<u>815</u>	<u>992</u>	<u>2,223</u>	<u>561</u>	<u>1,838</u>

FUND EQUITY

Fund balances:										
Reserved for inventory type assets not available for appropriation	—	—	1,155	500	—	—	—	1	61	—
Reserved for encumbrances	397	1,169	3,571	218	—	254	149	179	—	768
Reserved for appropriation carryforward	1,260	4,767	18,505	24,589	731	559	2,122	895	76,135	562
Unreserved—undesignated (deficit)	—	4,237	—	3,919	6	(1,294)	940	775	9,233	4,264
Total fund equity	<u>1,657</u>	<u>10,173</u>	<u>23,231</u>	<u>29,226</u>	<u>737</u>	<u>(481)</u>	<u>3,211</u>	<u>1,850</u>	<u>85,429</u>	<u>5,594</u>
Total liabilities and fund equity	<u>\$13,842</u>	<u>\$14,390</u>	<u>\$30,186</u>	<u>\$31,927</u>	<u>\$44,357</u>	<u>\$ 334</u>	<u>\$4,203</u>	<u>\$4,073</u>	<u>\$86,010</u>	<u>\$7,432</u>

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Combining Balance Sheet—(Continued)

June 30, 1992

With comparative totals as of June 30, 1991

(In Thousands)

ASSETS

Health and Human Services Fund	Off-Street Parking Fund	State Department of Transportation Fund	State Housing and Community Development Fund	Department of Health Fund	Miscellaneous Federal Grants Fund	Miscellaneous State Grants Fund	Other Special Revenue Funds	Total		
								1992	1991	
\$ (3,683)	\$9,290	\$ 540	\$ (1,026)	\$ 1,767	\$ (2,591)	\$ 7,076	\$ 9,173	\$177,354	\$155,788	Deposits and investments
—	—	—	—	—	—	—	3,578	5,714	2,960	Investments with trustee
—	—	—	—	—	—	—	—	1,202	1,027	Receivables (net of allowance for uncollectible amounts of \$206 in 1992):
—	—	—	—	—	—	—	—	17,503	17,279	Property taxes and penalties
9,153	—	9,491	1,057	5,538	3,624	2,958	—	38,439	25,549	Other local taxes
—	7	—	—	82	—	—	386	5,362	2,225	Federal and state grants and subventions
—	567	—	—	1,580	33	108	44,577	59,483	53,398	Interest and other
—	—	—	—	—	—	—	250	33,200	32,837	Due from other funds
—	—	—	—	—	—	—	399	415	251	Loans receivable
—	—	—	—	—	—	—	—	—	—	Inventories
33	—	—	174	1	524	240	6,861	9,849	9,164	Deferred charges and other assets
<u>\$ 5,503</u>	<u>\$9,864</u>	<u>\$10,031</u>	<u>\$ 205</u>	<u>\$ 8,968</u>	<u>\$ 1,590</u>	<u>\$10,382</u>	<u>\$65,224</u>	<u>\$348,521</u>	<u>\$300,476</u>	Total assets

LIABILITIES

\$ 1,884	\$1,307	\$ —	\$ 28	\$ 425	\$ 238	\$ 38	\$ 5,725	\$ 14,877	\$ 13,590	Accounts payable
247	85	—	—	141	13	56	3,625	4,678	10,171	Accrued payroll
—	—	—	—	—	—	—	5,935	5,935	—	Accrued vacation and sick leave pay
1,377	—	37	3	8,220	744	7,323	—	24,699	19,753	Deferred tax grant and subvention revenues
1,962	261	9,994	—	182	45	2,792	4,230	41,344	45,548	Due to other funds
33	1,118	—	174	—	550	173	11,692	55,251	47,245	Deferred credits and other liabilities
<u>5,503</u>	<u>2,771</u>	<u>10,031</u>	<u>205</u>	<u>8,968</u>	<u>1,590</u>	<u>10,382</u>	<u>31,207</u>	<u>146,784</u>	<u>136,307</u>	Total liabilities

FUND EQUITY

—	278	—	—	—	—	—	543	2,538	6,238	Fund balances
—	1,410	—	—	—	—	—	11,241	19,356	11,918	Reserved for inventory type assets not available for appropriation
—	2,938	—	—	—	—	—	5,199	138,262	89,037	Reserved for encumbrances
—	2,467	—	—	—	—	—	17,034	41,581	56,978	Reserved for appropriation carryforward
—	7,093	—	—	—	—	—	34,017	201,737	164,171	Unreserved-undesignated (deficit)
<u>\$ 5,503</u>	<u>\$9,864</u>	<u>\$10,031</u>	<u>\$ 205</u>	<u>\$ 8,968</u>	<u>\$ 1,590</u>	<u>\$10,382</u>	<u>\$65,224</u>	<u>\$348,521</u>	<u>\$300,476</u>	Total fund equity
										Total liabilities and fund equity

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Year ended June 30, 1992

With comparative totals for the year ended June 30, 1991

(In Thousands)

	Hotel Tax Fund	Gasoline Tax Fund	Convention Facilities Fund	Open Space and Park Fund	Community Develop- ment Fund	Senior Citizens' Programs Fund	Candlestick Park Fund	Special Recreation and Park Revenue Fund	San Francisco County Transportation Authority Fund	Building Inspection Fund
Revenues:										
Property taxes.....	\$ —	\$ —	\$ —	\$13,195	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Business taxes.....	—	—	—	—	—	—	—	—	—	—
Other local taxes.....	52,389	—	—	—	—	5,303	563	—	42,399	—
Grants, subventions and other allocations.....	—	18,752	—	173	20,765	4,793	—	—	—	—
Licenses, fines and penalties	—	228	—	—	—	—	—	—	—	2,929
Interest and investment earnings.....	—	739	—	1,775	2,189	—	—	7	4,613	439
Charges for services.....	—	260	3,895	—	193	5	7,615	15,585	—	14,842
Other.....	—	—	—	—	—	—	—	15	—	—
Total revenues.....	<u>52,389</u>	<u>19,979</u>	<u>3,895</u>	<u>15,143</u>	<u>23,147</u>	<u>10,101</u>	<u>8,178</u>	<u>15,607</u>	<u>47,012</u>	<u>18,210</u>
Expenditures:										
Public protection.....	—	—	—	—	—	—	—	—	—	—
Public works, transportation and commerce.....	—	27,262	—	—	5	—	—	—	3,093	15,478
Human welfare and neighborhood development	—	—	—	—	22,530	11,173	—	—	—	—
Community health.....	—	—	—	—	448	—	—	—	—	—
Culture and recreation.....	125	—	16,182	6,575	—	148	5,959	8,494	—	—
General administration and finance.....	8,797	—	(399)	—	—	—	—	—	868	—
Total expenditures.....	<u>8,922</u>	<u>27,262</u>	<u>15,783</u>	<u>6,575</u>	<u>22,983</u>	<u>11,321</u>	<u>5,959</u>	<u>8,494</u>	<u>3,961</u>	<u>15,478</u>
Excess (deficiency) of revenues over (under) expenditures.....	<u>43,467</u>	<u>(7,283)</u>	<u>(11,888)</u>	<u>8,568</u>	<u>164</u>	<u>(1,220)</u>	<u>2,219</u>	<u>7,113</u>	<u>43,051</u>	<u>2,732</u>
Other financing sources (uses):										
Operating transfers in.....	—	6,276	30,261	—	—	1,527	3,233	433	—	—
Operating transfers out.....	(43,048)	(207)	(16,880)	(2,633)	(33)	(456)	(6,398)	(7,469)	—	—
	<u>(43,048)</u>	<u>6,069</u>	<u>13,381</u>	<u>(2,633)</u>	<u>(33)</u>	<u>1,071</u>	<u>(3,165)</u>	<u>(7,036)</u>	—	—
Excess (deficiency) of reve- nues and other sources over (under) expendi- tures and other uses....	419	(1,214)	1,493	5,935	131	(149)	(946)	77	43,051	2,732
Fund balances at beginning of year.....	1,238	11,387	21,713	23,291	4,262	(332)	4,157	2,044	42,362	2,862
Net change in reserve for assets not available for appropriation	—	—	25	—	(3,656)	—	—	1	16	—
Residual equity transfers.....	—	—	—	—	—	—	—	(272)	—	—
Fund balances (deficit) at end of year.....	<u>\$ 1,657</u>	<u>\$10,173</u>	<u>\$ 23,231</u>	<u>\$29,226</u>	<u>\$ 737</u>	<u>\$ (481)</u>	<u>\$ 3,211</u>	<u>\$ 1,850</u>	<u>\$85,429</u>	<u>\$ 5,594</u>

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Combining Statement of Revenues, Expenditures and Changes in Fund Balances—(Continued)

Year ended June 30, 1992

With comparative totals for the year ended June 30, 1991

(In Thousands)

Health and Human Services Fund	Off-Street Parking Fund	State Department of Transportation Fund	State Housing and Community Development Fund	Department of Health Fund	Miscellaneous Federal Grant Funds	Miscellaneous State Grant Funds	Other Special Revenue Funds	Total		
								1992	1991	
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 13,195	\$ 12,475	Revenues:
—	—	—	—	—	—	—	365	365	377	Property taxes
—	—	—	—	—	—	—	123	100,777	101,387	Business taxes
23,936	—	10,014	3,716	15,650	3,685	9,522	2,774	113,780	88,132	Other local taxes
—	5	—	—	—	—	—	1,860	5,022	3,638	Grants, subventions and other allocations
—	1,600	—	—	380	117	—	1,282	13,141	10,200	Licenses, fines and penalties
—	1,000	—	—	—	—	—	21,360	64,755	62,566	Interest and investment earnings
—	—	—	—	—	—	42	1,713	1,770	3,342	Charges for services
23,936	2,605	10,014	3,716	16,030	3,802	9,564	29,477	312,805	282,117	Other
—	—	—	—	—	—	2,302	5,212	7,514	6,803	Total revenues
—	15,513	33	—	—	—	—	2,709	64,093	51,443	Expenditures:
19	—	—	217	—	617	173	2,702	37,431	35,675	Public protection
23,918	—	—	—	16,514	488	—	2,949	44,317	36,688	Public works, transportation and commerce
—	8	—	—	—	52	3,800	10,336	51,679	54,442	Human welfare and neighborhood development
—	—	—	3,499	—	2,678	120	7,416	22,979	24,221	Community health
23,937	15,521	33	3,716	16,514	3,835	6,395	31,324	228,013	209,272	Culture and recreation
(1)	(12,916)	9,981	—	(484)	(33)	3,169	(1,847)	84,792	72,845	General administration and finance
1	4,891	—	—	484	40	124	8,025	16,464 *	13,167	Total expenditures
—	(1,507)	(9,981)	—	—	(7)	(3,293)	(2,638)	(55,719) *	(47,843)	Excess (deficiency) of revenues over (under) expenditures
1	3,384	(9,981)	—	484	33	(3,169)	5,387	(39,255)	(34,676)	Other financing sources (uses):
—	—	—	—	—	—	—	—	—	—	Operating transfers in
—	—	—	—	—	—	—	—	—	—	Operating transfers out
—	(9,532)	—	—	—	—	—	3,540	45,537	38,169	Excess (deficiency) of revenues and other sources over (under) expenditures and other uses
—	20,703	—	—	—	—	—	30,484	164,171	123,781	Fund balances at beginning of year
—	(78)	—	—	—	—	—	(7)	(3,699)	2,221	Net change in reserve for assets not available for appropriation
—	(4,000)	—	—	—	—	—	—	(4,272)	—	Residual equity transfers
\$ —	\$ 7,093	\$ —	\$ —	\$ —	\$ —	\$ —	\$34,017	\$201,737	\$164,171	Fund balances (deficit) at end of year

* Net of \$38,831 of intrafund eliminations.

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Schedule of Revenues, Expenditures and Other Financing Sources (Uses)—
Individual Fund Groupings

Year ended June 30, 1992

(In Thousands)

Fund	Revenues	Expenditures	Other Financing Sources (Uses)	Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses
MISCELLANEOUS FEDERAL GRANT FUNDS				
Department of Agriculture	\$ 560	\$ 560	\$ —	\$ —
Department of Interior	32	66	34	—
Department of Health and Human Services	2,155	2,155	—	—
Department of Housing and Urban Development	997	1,002	5	—
Department of Education	52	52	—	—
Other Federal Grants	6	—	(6)	—
	<u>\$ 3,802</u>	<u>\$ 3,835</u>	<u>\$ 33</u>	<u>\$ —</u>
MISCELLANEOUS STATE GRANT FUNDS				
California Board of Correction	\$ 3,003	\$ 290	\$ (2,713)	\$ —
Department of Commerce	13	13	—	—
Department of Parks and Recreation	4,046	3,468	(578)	—
Department of Health	186	186	—	—
California Department of Business and Transportation	161	161	—	—
California Public Libraries Services	287	287	—	—
State Board of Control	207	207	—	—
California State Youth Authority	68	66	(2)	—
California Coastal Commission	16	16	—	—
Department of Criminal Justice Planning	1,548	1,672	124	—
California Arts Council	29	29	—	—
	<u>\$ 9,564</u>	<u>\$ 6,395</u>	<u>\$ (3,169)</u>	<u>\$ —</u>

(Continued)

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Schedule of Revenues, Expenditures and Other Financing Sources (Uses)—
Individual Fund Groupings—(Continued)

Year ended June 30, 1992

(In Thousands)

<u>Fund</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Other Financing Sources (Uses)</u>	<u>Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses</u>
OTHER SPECIAL REVENUE FUNDS				
Animal Control and Welfare	\$ 163	\$ 37	\$ (132)	\$ (6)
DPW Strong Motion (Seismic)	42	32	—	10
DPW Excavation Deposits	340	361	—	(21)
DPW Subdivision Map Review	951	724	—	227
DPW Special Engineering Inspection	291	628	—	(337)
Downtown Park	92	—	—	92
Defective Sidewalk Repair	136	—	—	136
DPW Building Repairs and Demolitions	—	417	—	(417)
County Fair	12	—	—	12
Special Animal Purchase and Exchange	21	32	—	(11)
Off Highway Vehicle	23	—	—	23
Marina Yacht Harbor	1,399	1,209	(95)	95
War Memorial Special	1,270	4,998	4,181	453
War Memorial Reserve	225	177	(56)	(8)
Tenants' Overtime Services	255	317	—	(62)
Museums Admissions	1,378	1,380	—	(2)
Performing Arts	658	624	—	34
Street Artist Program	143	136	—	7
Film Production Permit	55	40	—	15
Library Publication	1	4	—	(3)
Library Special Collection	153	167	—	(14)
Department of Electricity Custom Work	3	—	—	3
DPW Construction Inspection	126	189	—	(63)
Services for Outside Agencies	231	272	—	(41)
Real Property General	135	113	(279)	(257)
Real Estate	480	316	—	164
Special Law Enforcement	1,271	1,310	—	(39)
Cable Television Access Development	123	71	—	52
Agricultural Weights and Measures	6	5	—	1
Street Lighting Advance Payments	124	144	—	(20)
Driver Laboratory Test Costs	69	141	—	(72)
Police Peace Officer Training	711	872	—	(161)
Sheriff's Peace Officer Training	197	208	—	(11)

(Continued)

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Schedule of Revenues, Expenditures and Other Financing Sources (Uses)—
Individual Fund Groupings— (Continued)

Year ended June 30, 1992

(In Thousands)

<u>Fund</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Other Financing Sources (Uses)</u>	<u>Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses</u>
OTHER SPECIAL REVENUE FUNDS—Continued				
Sheriff's Special Maintenance	\$ 81	\$ —	\$ (41)	\$ 40
Sheriff's Inmate Program	458	600	—	(142)
Domestic Violence Program	155	159	(5)	(9)
State Authorized Special Revenue	1,648	560	(35)	1,053
DPW Utilities Construction	23	—	(131)	(108)
Narcotics Forfeiture	1,579	2,283	—	(704)
Development Agreement	406	273	—	133
DPW Delinquent Refuse Collection	1,841	2,258	(107)	(524)
Affordable Housing	277	2,609	—	(2,332)
Affordable Child Care	102	—	—	102
Social Service Children's Program	151	187	—	(36)
Automated Traffic Warrant System	18	—	(62)	(44)
Dispute Resolution Program	178	240	—	(62)
Courthouse Construction	2,352	1,045	—	1,307
Representative Payee Program	317	—	(331)	(14)
Police Crime Laboratory	12	14	—	(2)
Civil Service	2	3	—	(1)
Youth Arts	96	70	—	26
Market Street Art Maintenance	65	44	(8)	13
Vital and Health Statistics	11	—	—	11
Rent Arbitration Board	1,518	1,372	—	146
School Deposits	3,706	4,662	(2)	(958)
TaxiCab Enforcement	—	15	—	(15)
Housing Program Fees	238	435	—	(197)
Neighborhood Beautification	397	387	(23)	(13)
Code Enforcement and Rehabilitation	136	35	—	101
25 Van Ness Project	1,933	1,576	2,835	3,192
Vehicle Theft Crimes	121	56	—	65
Engineer Services	1	1	—	—
Work Order Funds	571	(2,484)	(322)	2,733
	<u>\$29,477</u>	<u>\$31,324</u>	<u>\$ 5,387</u>	<u>\$ 3,540</u>

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Combining Schedule of Revenues, Expenditures,
Encumbrances and Changes in Fund Balances—
Budget and Actual—Budget Basis

Year ended June 30, 1992

(In Thousands)

	Hotel Tax Fund			Gasoline Tax Fund		
	Revised Budget	Actual	Variance- Favorable (Unfavorable)	Revised Budget	Actual	Variance- Favorable (Unfavorable)
Revenues:						
Property taxes.....	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Other local taxes	54,400	52,389	(2,011)	—	—	—
Grants, subventions and other allocations.....	—	—	—	19,022	18,827	(195)
Licenses, fines and penalties	—	—	—	210	228	18
Interest and investment earnings	—	—	—	900	739	(161)
Charges for services	—	—	—	492	260	(232)
Other	—	—	—	—	—	—
Total revenues	54,400	52,389	(2,011)	20,624	20,054	(570)
Expenditures and encumbrances:						
Public protection.....	—	—	—	—	—	—
Public works, transportation and commerce	—	—	—	28,837	28,056	781
Human welfare and neighborhood development	—	—	—	—	—	—
Community health	—	—	—	—	—	—
Culture and recreation.....	115	115	—	—	—	—
General administration and finance.....	8,616	8,615	1	—	—	—
Total expenditures and encumbrances	8,731	8,730	1	28,837	28,056	781
Excess (deficiency) of revenues over (under) expenditures and encumbrances	45,669	43,659	(2,010)	(8,213)	(8,002)	211
Other financing sources (uses):						
Operating transfers in	—	—	—	6,276	6,275	(1)
Operating transfers out.....	(45,058)	(43,048)	2,010	(64)	(63)	1
	(45,058)	(43,048)	2,010	6,212	6,212	—
Excess (deficiency) of revenues and other sources over (under) expenditures, encumbrances and other uses	611	611	—	(2,001)	(1,790)	211
Fund balances at beginning of year	648	648	—	10,280	10,280	—
Amounts budgeted in prior years	—	—	—	—	35	35
Fund balances at end of year	\$ 1,259	\$ 1,259	\$ —	\$ 8,279	\$ 8,525	\$ 246

(Continued)

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Combining Schedule of Revenues, Expenditures,
Encumbrances and Changes in Fund Balances—
Budget and Actual—Budget Basis—(Continued)

Year ended June 30, 1992

(In Thousands)

	Convention Facilities Fund			Open Space and Park Fund		
	Revised Budget	Actual	Variance— Favorable (Unfavorable)	Revised Budget	Actual	Variance— Favorable (Unfavorable)
Revenues:						
Property taxes	\$ —	\$ —	\$ —	\$13,494	\$13,375	\$ (119)
Other local taxes	—	—	—	—	—	—
Grants, subventions and other allocations	—	—	—	170	173	3
Licenses, fines and penalties	—	—	—	—	—	—
Interest and investment earnings	—	—	—	1,628	1,775	147
Charges for services	6,487	3,884	(2,603)	2	—	(2)
Other	—	—	—	—	—	—
Total revenues	6,487	3,884	(2,603)	15,294	15,323	29
Expenditures and encumbrances:						
Public protection	—	—	—	—	—	—
Public works, transportation and commerce	—	—	—	—	—	—
Human welfare and neighborhood development	—	—	—	—	—	—
Community health	—	—	—	—	—	—
Culture and recreation	18,816	16,039	2,777	6,432	6,220	212
General administration and finance	144	144	—	—	—	—
Total expenditures and encumbrances ..	18,960	16,183	2,777	6,432	6,220	212
Excess (deficiency) of revenues over (under) expenditures and encumbrances	(12,473)	(12,299)	174	8,862	9,103	241
Other financing sources (uses):						
Operating transfers in	31,718	30,261	(1,457)	—	—	—
Operating transfers out	(16,880)	(16,880)	—	(2,764)	(2,633)	131
	14,838	13,381	(1,457)	(2,764)	(2,633)	131
Excess (deficiency) of revenues and other sources over (under) expenditures, encumbrances and other uses	2,365	1,082	(1,283)	6,098	6,470	372
Fund balances at beginning of year	17,441	17,441	—	22,218	22,218	—
Amounts budgeted in prior years	—	(18)	(18)	—	(181)	(181)
Fund balances at end of year	\$ 19,806	\$ 18,505	\$ (1,301)	\$28,316	\$28,507	\$ 191

(Continued)

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Combining Schedule of Revenues, Expenditures,
Encumbrances and Changes in Fund Balances—
Budget and Actual—Budget Basis—(Continued)

Year ended June 30, 1992

(In Thousands)

	Senior Citizens' Programs Fund			Candlestick Park Fund		
	Revised Budget	Actual	Variance— Favorable (Unfavorable)	Revised Budget	Actual	Variance— Favorable (Unfavorable)
Revenues:						
Property taxes	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Other local taxes	6,000	5,303	(697)	979	563	(416)
Grants, subventions and other allocations	4,720	4,645	(75)	—	—	—
Licenses, fines and penalties	—	—	—	—	—	—
Interest and investment earnings	—	—	—	—	—	—
Charges for services	6	5	(1)	7,434	7,557	123
Other	—	—	—	—	—	—
Total revenues	<u>10,726</u>	<u>9,953</u>	<u>(773)</u>	<u>8,413</u>	<u>8,120</u>	<u>(293)</u>
Expenditures and encumbrances:						
Public protection	—	—	—	—	—	—
Public works, transportation and commerce	—	—	—	—	—	—
Human welfare and neighborhood development	11,684	11,673	11	—	—	—
Community health	—	—	—	—	—	—
Culture and recreation	—	—	—	6,491	6,038	453
General administration and finance	—	—	—	—	—	—
Total expenditures and encumbrances	<u>11,684</u>	<u>11,673</u>	<u>11</u>	<u>6,491</u>	<u>6,038</u>	<u>453</u>
Excess (deficiency) of revenues over (under) expenditures and encumbrances	(958)	(1,720)	(762)	1,922	2,082	160
Other financing sources (uses):						
Operating transfers in	1,740	1,527	(213)	3,389	3,233	(156)
Operating transfers out	(455)	(456)	(1)	(6,398)	(6,398)	—
	<u>1,285</u>	<u>1,071</u>	<u>(214)</u>	<u>(3,009)</u>	<u>(3,165)</u>	<u>(156)</u>
Excess (deficiency) of revenues and other sources over (under) expenditures, encumbrances and other uses	327	(649)	(976)	(1,087)	(1,083)	4
Fund balances (deficits) at beginning of year	(573)	(573)	—	4,123	4,123	—
Amounts budgeted in prior years	—	486	486	—	21	21
Fund balances (deficit) at end of year	<u>\$ (246)</u>	<u>\$ (736)</u>	<u>\$ (490)</u>	<u>\$ 3,036</u>	<u>\$ 3,061</u>	<u>\$ 25</u>

(Continued)

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Combining Schedule of Revenues, Expenditures,
Encumbrances and Changes in Fund Balances—
Budget and Actual—Budget Basis—(Continued)

Year ended June 30, 1992

(In Thousands)

	Special Recreation and Park Revenue Fund			Building Inspection Fund		
	Revised Budget	Actual	Variance— Favorable (Unfavorable)	Revised Budget	Actual	Variance— Favorable (Unfavorable)
Revenues:						
Property taxes	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Other local taxes	—	—	—	—	—	—
Grants, subventions and other allocations	—	—	—	—	—	—
Licenses, fines and penalties	—	—	—	3,188	2,929	(259)
Interest and investment earnings	—	7	7	450	440	(10)
Charges for services	16,200	15,585	(615)	15,470	14,892	(578)
Other	—	15	15	—	—	—
Total revenues	<u>16,200</u>	<u>15,607</u>	<u>(593)</u>	<u>19,108</u>	<u>18,261</u>	<u>(847)</u>
Expenditures and encumbrances:						
Public protection	—	—	—	—	—	—
Public works, transportation and commerce	—	—	—	17,990	16,217	1,773
Human welfare and neighborhood development	—	—	—	—	—	—
Community health	—	—	—	—	—	—
Culture and recreation	9,006	8,423	583	—	—	—
General administration and finance	—	—	—	—	—	—
Total expenditures and encumbrances	<u>9,006</u>	<u>8,423</u>	<u>583</u>	<u>17,990</u>	<u>16,217</u>	<u>1,773</u>
Excess (deficiency) of revenues over (under) expenditures and encumbrances	<u>7,194</u>	<u>7,184</u>	<u>(10)</u>	<u>1,118</u>	<u>2,044</u>	<u>926</u>
Other financing sources (uses):						
Operating transfers in	433	433	—	—	—	—
Operating transfers out	<u>(7,473)</u>	<u>(7,469)</u>	<u>4</u>	—	—	—
	<u>(7,040)</u>	<u>(7,036)</u>	<u>4</u>	—	—	—
Excess (deficiency) of revenues and other sources over (under) expenditures, encumbrances and other uses	154	148	(6)	1,118	2,044	926
Fund balances at beginning of year	1,847	1,847	—	2,839	2,839	—
Amounts budgeted in prior years	—	(52)	(52)	—	(112)	(112)
Residual equity transfers out	<u>(272)</u>	<u>(272)</u>	<u>—</u>	—	—	—
Fund balances at end of year	<u>\$ 1,729</u>	<u>\$ 1,671</u>	<u>\$ (58)</u>	<u>\$ 3,957</u>	<u>\$ 4,771</u>	<u>\$ 814</u>

(Continued)

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

**Combining Schedule of Revenues, Expenditures,
Encumbrances and Changes in Fund Balances—
Budget and Actual—Budget Basis—(Continued)**

Year ended June 30, 1992

(In Thousands)

	Off-Street Parking Fund			Other Special Revenue Funds		
	Revised Budget	Actual	Variance- Favorable (Unfavorable)	Revised Budget	Actual	Variance- Favorable (Unfavorable)
Revenues:						
Property taxes	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Other local taxes	—	—	—	105	123	18
Grants, subventions and other allocations	—	—	—	100	107	7
Licenses, fines and penalties	—	6	6	451	1,123	672
Interest and investment earnings	1,411	1,593	182	69	114	45
Charges for services	3,351	1,006	(2,345)	6,646	6,682	36
Other	—	—	—	219	210	(9)
Total revenues	<u>4,762</u>	<u>2,605</u>	<u>(2,157)</u>	<u>7,590</u>	<u>8,359</u>	<u>769</u>
Expenditures and encumbrances:						
Public protection	(12)	(12)	—	106	104	2
Public works, transportation and commerce	12,790	12,217	573	(164)	(164)	—
Human welfare and neighborhood development	—	—	—	1,598	1,532	66
Community health	—	—	—	22	21	1
Culture and recreation	—	—	—	8,289	7,970	319
General administration and finance	—	—	—	558	554	4
Total expenditures and encumbrances	<u>12,778</u>	<u>12,205</u>	<u>573</u>	<u>10,409</u>	<u>10,017</u>	<u>392</u>
Excess (deficiency) of revenues over (under) expenditures and encumbrances	<u>(8,016)</u>	<u>(9,600)</u>	<u>(1,584)</u>	<u>(2,819)</u>	<u>(1,658)</u>	<u>1,161</u>
Other financing sources (uses):						
Operating transfers in	4,891	4,891	—	5,440	5,190	(250)
Operating transfers out	<u>(1,507)</u>	<u>(1,507)</u>	—	<u>(2,173)</u>	<u>(1,719)</u>	<u>454</u>
	<u>3,384</u>	<u>3,384</u>	—	<u>3,267</u>	<u>3,471</u>	<u>204</u>
Excess (deficiency) of revenues and other sources over (under) expenditures, encumbrances and other uses	<u>(4,632)</u>	<u>(6,216)</u>	<u>(1,584)</u>	<u>448</u>	<u>1,813</u>	<u>1,365</u>
Fund balances at beginning of year	15,543	15,543	—	6,657	6,657	—
Amounts budgeted in prior years	—	78	78	—	(10)	(10)
Residual equity transfers out	<u>(4,000)</u>	<u>(4,000)</u>	—	—	—	—
Fund balances at end of year	<u>\$ 6,911</u>	<u>\$ 5,405</u>	<u>\$ (1,506)</u>	<u>\$ 7,105</u>	<u>\$ 8,460</u>	<u>\$ 1,355</u>

(Continued)

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Combining Schedule of Revenues, Expenditures,
Encumbrances and Changes in Fund Balances—
Budget and Actual—Budget Basis—(Continued)

Year ended June 30, 1992

(In Thousands)

	Total—Annually Budgeted Funds		
	Revised Budget	Actual	Variance— Favorable (Unfavorable)
Revenues:			
Property taxes	\$ 13,494	\$ 13,375	\$ (119)
Other local taxes	61,484	58,378	(3,106)
Grants, subventions and other allocations	24,012	23,752	(260)
Licenses, fines and penalties	3,849	4,286	437
Interest and investment earnings	4,458	4,668	210
Charges for services	56,088	49,871	(6,217)
Other	219	225	6
Total revenues	<u>163,604</u>	<u>154,555</u>	<u>(9,049)</u>
Expenditures and encumbrances:			
Public protection	94	92	2
Public works, transportation and commerce	59,453	56,326	3,127
Human welfare and neighborhood development	13,282	13,205	77
Community health	22	21	1
Culture and recreation	49,149	44,805	4,344
General administration and finance	9,318	9,313	5
Total expenditures and encumbrances	<u>131,318</u>	<u>123,762</u>	<u>7,556</u>
Excess of revenues over expenditures and encumbrances	<u>32,286</u>	<u>30,793</u>	<u>(1,493)</u>
Other financing sources (uses):			
Operating transfers in	53,887	51,810	(2,077)
Operating transfers out	(82,772)	(80,173)	2,599
	<u>(28,885)</u>	<u>(28,363)</u>	<u>522</u>
Excess (deficiency) of revenues and other sources over (under) expenditures, encumbrances and other uses	3,401	2,430	(971)
Fund balances at beginning of year	81,023	81,023	—
Amounts budgeted in prior years	—	247	247
Residual equity transfers out	(4,272)	(4,272)	—
Fund balances at end of year	<u>\$ 80,152</u>	<u>\$ 79,428</u>	<u>\$ (724)</u>

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Schedule of Other Special Revenue Funds
Budget and Actual—Budget Basis

Year ended June 30, 1992

(In Thousands)

Fund	Revenues	Expenditures and Encumbrances	Other Financing Sources (Uses)	Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses
ANIMAL CONTROL AND WELFARE FUND				
Revised budget	\$ 170	\$ 40	\$ (118)	\$ 12
Actual	163	37	(132)	(6)
Variance—favorable / (unfavorable)	(7)	3	(14)	(18)
CABLE TELEVISION ACCESS DEVELOPMENT FUND				
Revised budget	105	105	—	—
Actual	122	105	—	17
Variance—favorable / (unfavorable)	17	—	—	17
TAXICAB ENFORCEMENT FUND				
Revised budget	90	—	(90)	—
Actual	(15)	—	—	(15)
Variance—favorable / (unfavorable)	(105)	—	90	(15)
RENT ARBITRATION BOARD FUND				
Revised budget	1,501	1,438	—	63
Actual	1,517	1,372	—	145
Variance—favorable / (unfavorable)	16	66	—	82
REPRESENTATIVE PAYEE PROGRAM FUND				
Revised budget	315	—	(315)	—
Actual	317	—	(331)	(14)
Variance—favorable / (unfavorable)	2	—	(16)	(14)
MARINA YACHT HARBOR FUND				
Revised budget	1,400	1,205	(95)	100
Actual	1,400	1,183	(95)	122
Variance—favorable / (unfavorable)	—	22	—	22
WAR MEMORIAL SPECIAL FUND				
Revised budget	1,240	5,273	(1,009)	(5,042)
Actual	1,270	5,012	(1,009)	(4,751)
Variance—favorable / (unfavorable)	30	261	—	291
MUSEUMS ADMISSIONS FUND				
Revised budget	1,378	1,395	—	(17)
Actual	1,378	1,359	—	19
Variance—favorable / (unfavorable)	—	36	—	36
STREET ARTIST PROGRAM FUND				
Revised budget	172	138	—	34
Actual	143	138	—	5
Variance—favorable / (unfavorable)	(29)	—	—	(29)
MARKET STREET ART MAINTENANCE FUND				
Revised budget	53	44	(8)	1
Actual	65	44	(8)	13
Variance—favorable / (unfavorable)	12	—	—	12
YOUTH ARTS FUND				
Revised budget	82	70	—	12
Actual	97	70	—	27
Variance—favorable / (unfavorable)	15	—	—	15

(Continued)

CITY AND COUNTY OF SAN FRANCISCO
SPECIAL REVENUE FUNDS
Schedule of Other Special Revenue Funds
Budget and Actual—Budget Basis—(Continued)

Year ended June 30, 1992

(In Thousands)

<u>Fund</u>	<u>Revenues</u>	<u>Expenditures and Encumbrances</u>	<u>Other Financing Sources (Uses)</u>	<u>Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses</u>
SHERIFF'S SPECIAL MAINTENANCE FUND				
Revised budget	\$ 108	\$ —	\$ (436)	\$ (328)
Actual	81	—	(42)	39
Variance—favorable / (unfavorable)	(27)	—	394	367
DOMESTIC VIOLENCE PROGRAM FUND				
Revised budget	166	160	(5)	1
Actual	155	160	(5)	(10)
Variance—favorable / (unfavorable)	(11)	—	—	(11)
AUTOMATED TRAFFIC WARRANT FUND				
Revised budget	80	—	(62)	18
Actual	18	—	(62)	(44)
Variance—favorable / (unfavorable)	(62)	—	—	(62)
STATE AUTHORIZED SPECIAL REVENUE FUND				
Revised budget	730	541	5,405	5,594
Actual	1,648	537	5,155	6,266
Variance—favorable / (unfavorable)	918	4	(250)	672
TOTAL OTHER SPECIAL REVENUE FUNDS				
Revised budget	7,590	10,409	3,267	448
Actual	8,359	10,017	3,471	1,813
Variance—favorable / (unfavorable)	<u>\$ 769</u>	<u>\$ 392</u>	<u>\$ 204</u>	<u>\$ 1,365</u>

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Schedule of Expenditures and Encumbrances by Department
Budget and Actual—Budget Basis

Year ended June 30, 1992

(In Thousands)

	Revised Budget	Actual	Variance Favorable (Unfavorable)
HOTEL TAX FUND			
Culture and Recreation			
Art Commission	\$ 115	\$ 115	\$ —
General Administration and Finance			
Treasurer/Tax Collector	91	90	1
Chief Administrative Officer	8,525	8,525	—
	8,616	8,615	1
Total Hotel Tax Fund	8,731	8,730	1
GASOLINE TAX FUND			
Public Works, Transportation and Commerce			
Parking and Traffic Commission	7,149	6,766	383
Public Works	21,688	21,290	398
Total Gasoline Tax Fund	28,837	28,056	781
CONVENTION FACILITIES FUND			
Culture and Recreation			
Convention Facilities Management	18,816	16,039	2,777
General Administration and Finance			
Mayor	208	208	—
Chief Administrative Officer	(64)	(64)	—
	144	144	—
Total Convention Facilities Fund	18,960	16,183	2,777
OPEN SPACE AND PARK FUND			
Culture and Recreation			
Art Commission	—	—	—
Recreation and Park Commission	6,432	6,220	212
Total Open Space and Park Fund	6,432	6,220	212
SENIOR CITIZENS' PROGRAMS FUND			
Human Welfare and Neighborhood Development			
Commission on Aging	11,684	11,673	11
Total Senior Citizens' Programs Fund	11,684	11,673	11
CANDLESTICK PARK FUND			
Culture and Recreation			
Recreation and Park Commission	6,491	6,038	453
Total Candlestick Park Fund	6,491	6,038	453
SPECIAL RECREATION AND PARK REVENUE FUND			
Culture and Recreation			
Recreation and Park Commission	9,006	8,423	583
Total Special Recreation and Park Revenue Fund ...	\$ 9,006	\$ 8,423	\$ 583

(Continued)

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Schedule of Expenditures and Encumbrances by Department
Budget and Actual—Budget Basis—(Continued)

Year ended June 30, 1992

(In Thousands)

	Revised Budget	Actual	Variance Favorable (Unfavorable)
BUILDING INSPECTION FUND			
Public Works, Transportation and Commerce			
Public Works	\$ 17,990	\$ 16,217	\$ 1,773
Total Building Inspection Fund	<u>17,990</u>	<u>16,217</u>	<u>1,773</u>
OFF-STREET PARKING FUND			
Public Protection			
Police	(12)	(12)	—
Public Works, Transportation and Commerce			
Parking and Traffic Commission	12,790	12,217	573
Culture and Recreation			
Art Commission	—	—	—
Total Off-Street Parking Fund	<u>12,778</u>	<u>12,205</u>	<u>573</u>
OTHER SPECIAL REVENUE FUNDS			
Public Protection			
Sheriff	67	67	—
Animal Care and Control	40	37	3
Public Administrator/Guardian	(1)	—	(1)
	<u>106</u>	<u>104</u>	<u>2</u>
Public Works, Transportation and Commerce			
Public Works	(164)	(164)	—
Human Welfare and Neighborhood Development			
Commission on The Status of Women	161	159	2
Rent Arbitration Board	1,437	1,373	64
	<u>1,598</u>	<u>1,532</u>	<u>66</u>
Community Health			
Community Mental Health	22	21	1
Culture and Recreation			
Art Commission	252	252	—
Recreation and Park Commission	1,204	1,183	21
War Memorial	5,437	5,176	261
Fine Arts Museums	998	961	37
Asian Art Museum	398	398	—
	<u>8,289</u>	<u>7,970</u>	<u>319</u>
General Administration and Finance			
Board of Supervisors	105	105	—
Recorder	453	449	4
General City Responsibility	—	—	—
	<u>558</u>	<u>554</u>	<u>4</u>
Total Other Special Revenue Funds	<u>10,409</u>	<u>10,017</u>	<u>392</u>
Total Special Revenue Funds	<u>\$131,318</u>	<u>\$123,762</u>	<u>\$7,556</u>

CITY AND COUNTY OF SAN FRANCISCO
SPECIAL REVENUE FUNDS
Schedule of Budget Appropriation Changes

Year ended June 30, 1992

(In Thousands)

	Original Budget	Supplemental Appropriations	Carryforward Appropriations		Revised Budget
			Beginning	Ending	
Revenues:					
Property taxes	\$ 13,494	\$ —	\$ —	\$ —	\$ 13,494
Other local taxes	61,484	—	—	—	61,484
Grants, subventions and other allocations	23,789	266	—	43	24,012
Licenses, fines and penalties	3,769	80	—	—	3,849
Interests and investment earnings	4,458	—	—	—	4,458
Charges for services	55,942	146	—	—	56,088
Other	219	—	—	—	219
Total revenues	<u>163,155</u>	<u>492</u>	<u>—</u>	<u>43</u>	<u>163,604</u>
Expenditures and encumbrances:					
Public protection	76	4	(197)	(211)	94
Public works, transportation and commerce....	53,853	(941)	11,326	4,785	59,453
Human welfare and neighborhood development	13,203	327	308	556	13,282
Community health	83	62	274	397	22
Culture and recreation	75,912	(13,248)	21,465	34,980	49,149
General administration and finance	13,814	955	12,811	18,262	9,318
Total expenditures and encumbrances ..	<u>156,941</u>	<u>(12,841)</u>	<u>45,987</u>	<u>58,769</u>	<u>131,318</u>
Excess (deficiency) of revenues over (under) expenditures and encumbrances	<u>6,214</u>	<u>13,333</u>	<u>(45,987)</u>	<u>(58,726)</u>	<u>32,286</u>
Other financing sources (uses):					
Operating transfers in	51,533	2,397	128	171	53,887
Operating transfers out	(55,961)	(25,096)	(4,464)	(2,749)	(82,772)
	<u>(4,428)</u>	<u>(22,699)</u>	<u>(4,336)</u>	<u>(2,578)</u>	<u>(28,885)</u>
Excess (deficiency) of revenues and other sources over (under) expenditures, encumbrances and other uses	1,786	(9,366)	(50,323)	(61,304)	3,401
Fund balances at beginning of year	81,023	—	—	—	81,023
Residual equity transfers out	—	(4,272)	—	—	(4,272)
Fund balances at end of year	<u>\$ 82,809</u>	<u>\$(13,638)</u>	<u>\$(50,323)</u>	<u>\$(61,304)</u>	<u>\$ 80,152</u>

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CITY AND COUNTY OF SAN FRANCISCO
DEBT SERVICE FUNDS

The Debt Service Funds account for the accumulation of property taxes and other revenue for periodic payment of interest and principal of general obligation and certain lease revenue bonds and related authorized costs. Four major funds are separately identified representing 92.6% of the combined expenditures of the Debt Service Funds. The remaining 7.4% consists of seven minor funds. Operations of that fund grouping are shown in a separate schedule.

General Obligation Bonds Fund—Accounts for property taxes and other revenue for periodic payment of interest and principal of general obligation bonds and related costs. Provisions are made in the general property tax levy for monies sufficient to meet these requirements in accordance with Article XIII A of the State Constitution (Proposition 13).

Moscone Center Lease Revenue Bonds Fund—Accounts for transfers of hotel tax revenue from the Convention Facilities Fund which provide for periodic payments of interest and principal and bond reserve requirements.

Redevelopment Financing Authority Fund—Accounts for financing activities of a joint powers authority formed between the Redevelopment Agency and the City to facilitate the long-term financing of Redevelopment Agency activities. All bond proceeds are loaned to the Redevelopment Agency, and the Authority uses loan payments to service its debt.

Finance Corporation Lease Revenue Bonds Fund—Accounts for financing activities of a nonprofit public benefit corporation organized for the purpose of providing financial assistance to the City by acquiring, improving and installing certain real and personal property for the use, benefit and enjoyment of the public.

Other Bonds Fund—Accounts for funds and debt service of two nonprofit corporations (Social Services Corporation and San Francisco Stadium, Inc.), the Hunters Point/South School, the Yerba Buena Center, the Moscone Center Parking Garage, the Redevelopment Agency and the 25 Van Ness Avenue Project. As a group they represent 7.4% of current year's combined expenditures of the Debt Service Funds. The largest fund's expenditures in this group represent 2.9% of the total

CITY AND COUNTY OF SAN FRANCISCO
DEBT SERVICE FUNDS
Combining Balance Sheet
June 30, 1992
With comparative totals as of June 30, 1991
(In Thousands)

ASSETS

	General Obligation Bonds Fund	Moscone Center Lease Revenue Bonds Fund	Redevelopment Financing Authority Fund	Finance Corporation Lease Revenue Bonds Fund	Other Bonds Fund	Total	
						1992	1991
Deposits and investments ...	\$ 359	\$ —	\$ —	\$ —	\$ —	\$ 359	\$ 4,410
Investments with trustee	—	92,779	8,481	1,352	11,509	114,121	19,339
Receivables (net of allowance for uncollectible amounts of \$437 in 1992):							
Property taxes and penalties	5,064	—	—	—	—	5,064	3,304
Interest and other	—	27	—	—	24	51	51
Due from other funds	—	255	—	—	—	255	1,874
Total assets	<u>\$5,423</u>	<u>\$93,061</u>	<u>\$8,481</u>	<u>\$1,352</u>	<u>\$11,533</u>	<u>\$119,850</u>	<u>\$28,978</u>

LIABILITIES

Accounts payable	\$ 2	\$ —	\$ 391	\$ —	\$ —	\$ 393	\$ 310
Due to other funds	—	—	—	—	—	—	91
Deferred credits and other liabilities	<u>5,086</u>	<u>251</u>	<u>—</u>	<u>—</u>	<u>264</u>	<u>5,601</u>	<u>3,588</u>
	<u>5,088</u>	<u>251</u>	<u>391</u>	<u>—</u>	<u>264</u>	<u>5,994</u>	<u>3,989</u>

FUND EQUITY

Fund balances—reserved for debt service	<u>335</u>	<u>92,810</u>	<u>8,090</u>	<u>1,352</u>	<u>11,269</u>	<u>113,856</u>	<u>24,989</u>
Total liabilities and fund equity	<u>\$5,423</u>	<u>\$93,061</u>	<u>\$8,481</u>	<u>\$1,352</u>	<u>\$11,533</u>	<u>\$119,850</u>	<u>\$28,978</u>

CITY AND COUNTY OF SAN FRANCISCO

DEBT SERVICE FUNDS

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances

Year ended June 30, 1992

With comparative totals for the year ended June 30, 1991

(In Thousands)

	General Obligation Bonds Fund	Moscone Center Lease Revenue Bonds Fund	Redevelopment Financing Authority Fund	Finance Corporation Lease Revenue Bonds Fund	Other Bonds Fund	Total	
						1992	1991
Revenues:							
Property taxes	\$46,146	\$ —	\$ —	\$ —	\$ —	\$ 46,146	\$29,773
Grants, subventions and other allocations	631	—	—	—	—	631	433
Interest and investment earnings	—	1,134	111	37	449	1,731	2,524
Charges for services	—	—	—	—	957	957	953
Other	—	—	—	1,633	2,737	4,370	2,809
Total revenues	<u>46,777</u>	<u>1,134</u>	<u>111</u>	<u>1,670</u>	<u>4,143</u>	<u>53,835</u>	<u>36,492</u>
Expenditures:							
Debt service:							
Principal retirement	16,965	—	930	1,345	1,770	21,010	39,360
Interest and fiscal charges ..	<u>26,950</u>	<u>8,850</u>	<u>4,640</u>	<u>367</u>	<u>3,010</u>	<u>43,817</u>	<u>29,623</u>
Total expenditures	<u>43,915</u>	<u>8,850</u>	<u>5,570</u>	<u>1,712</u>	<u>4,780</u>	<u>64,827</u>	<u>68,983</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,862</u>	<u>(7,716)</u>	<u>(5,459)</u>	<u>(42)</u>	<u>(637)</u>	<u>(10,992)</u>	<u>(32,491)</u>
Other financing sources (uses):							
Operating transfers in	—	8,880	9,283	—	6,109	24,272	18,363
Operating transfers out	(6,800)	(4,445)	(26,998)	—	(15,574)	(53,817)	(37,447)
Proceeds from issuance of bonds	—	85,479	26,998	637	16,859	129,973	101,063
Payment to refunded bond escrow agent	—	—	—	—	(569)	(569)	(64,844)
	<u>(6,800)</u>	<u>89,914</u>	<u>9,283</u>	<u>637</u>	<u>6,825</u>	<u>99,859</u>	<u>17,135</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	<u>(3,938)</u>	<u>82,198</u>	<u>3,824</u>	<u>595</u>	<u>6,188</u>	<u>88,867</u>	<u>(15,356)</u>
Fund balances at beginning of year	<u>4,273</u>	<u>10,612</u>	<u>4,266</u>	<u>757</u>	<u>5,081</u>	<u>24,989</u>	<u>40,345</u>
Fund balances at end of year ...	<u>\$ 335</u>	<u>\$92,810</u>	<u>\$ 8,090</u>	<u>\$1,352</u>	<u>\$11,269</u>	<u>\$113,856</u>	<u>\$24,989</u>

CITY AND COUNTY OF SAN FRANCISCO

DEBT SERVICE FUNDS

Schedule of Revenues, Expenditures and Other Financing Sources—
Individual Fund Grouping

Year ended June 30, 1992

(In Thousands)

<u>Fund</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Other Financing Sources (Uses)</u>	<u>Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and other uses</u>
Other Bonds:				
Hunters Point/South School	\$ —	\$ 50	\$ (293)	\$ (343)
Moscone Parking Garage	1,052	969	—	83
Social Services Corporation	990	924	—	66
San Francisco Stadium	2,002	1,871	—	131
Yerba Buena Center Liquidity Revenue Bonds	—	561	719	158
San Francisco Redevelopment Agency				
General Obligation Notes	50	3	4,145	4,192
25 Van Ness Avenue Project	49	402	2,254	1,901
	<u>\$4,143</u>	<u>\$4,780</u>	<u>\$6,825</u>	<u>\$6,188</u>

CITY AND COUNTY OF SAN FRANCISCO

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for financial resources to be used for the acquisition of land or acquisition and construction of major facilities other than those financed in the proprietary fund types. Five major funds are separately identified representing 91.1% of the combined expenditures of the Capital Projects Funds. The remaining 8.9% consists of ten minor funds. Operations of those funds are shown in a separate schedule.

Redevelopment Agency Fund—Accounts for property tax allocations, investment income, land sales, rents and other revenues relating to all redevelopment projects. Expenditures are for land acquisition and improvements and for other costs inherent to redevelopment activities.

Street Improvement Fund—Accounts for gas tax subventions, bond fund proceeds and other revenues which are designated for general street improvements. Expenditures for land acquisition and construction of designated improvements are made in accordance with applicable state codes, City charter provisions and bond requirements.

City Facility Improvement Fund—Accounts for bond proceeds, capital lease financing and transfers from other funds which are designated for various buildings and general improvements. Expenditures for acquisition and construction of public buildings and improvements are made in accordance with bond requirements and appropriation ordinances.

Recreation and Park Projects Fund—Accounts for bond proceeds, Federal and state grants, gifts and transfers from other funds which are designated for various recreation and park additions and development. Expenditures for acquisition and construction of recreation and park facilities are made in accordance with bond requirements and appropriation ordinances.

Moscone Convention Center Fund—Accounts for proceeds from Moscone Convention Center Lease Revenue Bonds and transfers from the General Fund and Convention Facilities Special Revenue Fund. Expenditures are for construction of the George R. Moscone Convention Center and for related administrative costs.

Other Capital Projects Funds—Accounts for the various revenues and capital expenditures of ten capital improvement funds, which include 8.9% of current year's combined expenditures of the Capital Projects Funds. The largest fund's expenditures in this group represent 5.9% of the total.

CITY AND COUNTY OF SAN FRANCISCO

CAPITAL PROJECTS FUNDS

Combining Balance Sheet

June 30, 1992

With comparative totals for June 30, 1991

(In Thousands)

ASSETS

	Redevelopment Agency Fund	Street Improvement Fund	City Facility Improvement Fund	Recreation and Park Projects Fund	Moscone Convention Center Fund	Other Capital Projects Funds	Total	
							1992	1991
Deposits and investments	\$ 95,136	\$ (15,908)	\$320,250	\$17,876	\$ —	\$ 2,121	\$419,475	\$287,277
Investments with trustee	138	14	12	—	—	4,560	4,724	2,074
Receivables:								
Federal and state grants and subventions	—	6,211	—	—	—	—	6,211	3,809
Interest and other	854	12	290	54	20	4	1,234	1,999
Due from other funds	1,844	17,997	2,559	42	20,451	646	43,539	68,542
Loans receivable	19,788	—	—	—	—	—	19,788	15,456
Property held for resale and/or lease	92,042	—	—	—	—	—	92,042	93,936
Total assets	<u>\$209,802</u>	<u>\$ 8,326</u>	<u>\$323,111</u>	<u>\$17,972</u>	<u>\$ 20,471</u>	<u>\$ 7,331</u>	<u>\$587,013</u>	<u>\$473,093</u>

LIABILITIES

Accounts payable	\$ 5,156	\$ 1,448	\$ 4,444	\$ 543	\$ 2,487	\$ 644	\$ 14,722	\$ 14,661
Accrued vacation and sick leave pay	383	3	11	—	—	19	416	403
Deferred tax, grant and subvention revenues	—	—	—	—	—	—	—	262
Due to other funds	899	1,576	3,160	408	—	87	6,130	1,898
Deferred credits and other liabilities	40,384	1,596	7,874	591	—	—	50,445	40,506
Total liabilities	<u>46,822</u>	<u>4,623</u>	<u>15,489</u>	<u>1,542</u>	<u>2,487</u>	<u>750</u>	<u>71,713</u>	<u>57,730</u>

FUND EQUITY

Reserved for property held for resale and/or lease	92,042	—	—	—	—	—	92,042	93,936
Reserved for encumbrances	—	4,663	59,748	3,329	—	1,382	69,122	63,634
Reserved for appropriation carryforward	—	1,966	141,955	11,748	—	1,355	157,024	109,380
Unreserved—undesignated (deficit)	70,938	(2,926)	105,919	1,353	17,984	3,844	197,112	148,413
Total fund equity	<u>162,980</u>	<u>3,703</u>	<u>307,622</u>	<u>16,430</u>	<u>17,984</u>	<u>6,581</u>	<u>515,300</u>	<u>415,363</u>
Total liabilities and fund equity	<u>\$209,802</u>	<u>\$ 8,326</u>	<u>\$323,111</u>	<u>\$17,972</u>	<u>\$ 20,471</u>	<u>\$ 7,331</u>	<u>\$587,013</u>	<u>\$473,093</u>

CITY AND COUNTY OF SAN FRANCISCO

CAPITAL PROJECTS FUNDS

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Year ended June 30, 1992

With comparative totals for the year ended June 30, 1991

(In Thousands)

	Redevelop- ment Agency Fund	Street Improve- ment Fund	City Facility Improve- ment Fund	Recreation and Park Projects Fund	Moscone Convention Center Fund	Other Capital Projects Fund	Total	
							1992	1991
Revenues:								
Property taxes	\$ 6,332	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 6,332	\$ 3,413
Grants, subventions and other allocations	—	11,182	585	185	—	—	11,952	4,866
Interest and investment earnings	6,471	276	7,049	602	3,927	27	18,352	18,357
Land sales proceeds	999	—	—	—	—	—	999	849
Other	5,015	—	39	—	—	—	5,054	16,239
Total revenues	18,817	11,458	7,673	787	3,927	27	42,689	43,724
Expenditures:								
Capital outlay	47,776	28,206	49,352	5,253	50,371	17,666	198,624	193,297
Total expenditures	47,776	28,206	49,352	5,253	50,371	17,666	198,624	193,297
Excess (deficiency) of revenues over (under) expenditures	(28,959)	(16,748)	(41,679)	(4,466)	(46,444)	(17,639)	(155,935)	(149,573)
Other financing sources (uses):								
Operating transfers in	29,998	9,763	7,941	4,872	13,727	14,534	80,835	75,446
Operating transfers out	(14,746)	(1,727)	(234)	(1)	—	(276)	(16,984)	(10,474)
Proceeds from issuance of bonds	30,000	—	155,567	—	3,457	4,891	193,915	194,878
Transfer of bond proceeds to School and College District Agency Fund	—	—	—	—	—	—	—	(55,000)
	45,252	8,036	163,274	4,871	17,184	19,149	257,766	204,850
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	16,293	(8,712)	121,595	405	(29,260)	1,510	101,831	55,277
Fund balances at beginning of year	148,581	12,415	186,027	16,025	47,244	5,071	415,363	370,690
Residual equity transfers	—	—	—	—	—	—	—	—
Net change in reserve for assets not available for appropriation	(1,894)	—	—	—	—	—	(1,894)	(10,604)
Fund balances at end of year	\$162,980	\$ 3,703	\$307,622	\$ 16,430	\$ 17,984	\$ 6,581	\$515,300	\$415,363

CITY AND COUNTY OF SAN FRANCISCO

CAPITAL PROJECTS FUNDS

Schedule of Revenues, Expenditures and Other Financing Sources—
Individual Fund Grouping
Year ended June 30, 1992

(In Thousands)

<u>Fund</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Other Financing Sources (Uses)</u>	<u>Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses</u>
Other Capital Projects:				
1973 School Building Improvement	\$16	\$ —	\$ —	\$ 16
Parking Authority Project	—	645	492	(153)
Community College Project	—	87	84	(3)
Community Development Project (BOE)	—	15	15	0
Ocean Beach Seawall	—	26	—	(26)
Environmental Development Agency Projects	—	2,074	771	(1,303)
Open Space Development	—	162	786	624
Hunters Point School	—	—	(276)	(276)
San Francisco Finance Corporation	11	2,886	5,506	2,631
25 Van Ness Project	—	11,771	11,771	—
	<u>\$27</u>	<u>\$17,666</u>	<u>\$19,149</u>	<u>\$1,510</u>

CITY AND COUNTY OF SAN FRANCISCO

ENTERPRISE FUNDS

Enterprise Funds account for operations and activities which render services on a user charge basis to the general public. The various Enterprise Funds are:

San Francisco International Airport—This Enterprise Fund was authorized and established by City Charter Sections 3.690 to 3.694. An Airport Commission was created with powers and duties in the management and control of San Francisco International Airport.

Port of San Francisco—In 1968, the City voters approved a proposition to accept the transfer of the Harbor of San Francisco from the State of California under the terms and conditions set forth in California Statutes of 1968, Chapter 1333. A Port of San Francisco Enterprise Fund was established in 1969, under the direction of a Port Commission.

Water Department/Hetch Hetchy Project and Municipal Railway—City Charter Sections 3.590 to 3.599 provide that a Public Utilities Commission be created and have responsibility for the construction, operation and control of all public utilities, excepting airports. The Public Utilities Commission appoints a general manager of utilities who has full power to administer the Water Department/Hetch Hetchy Project and Municipal Railway Enterprise Funds established by the Commission. The Municipal Railway financial operations include the activities of the San Francisco Municipal Railway Improvement Corporation, a nonprofit corporation organized to acquire and finance improvements to the City's public transportation system.

Laguna Honda Hospital—This Enterprise Fund was established by the Controller at the request of hospital management. Full enterprise operations began July 1, 1983 after having been previously included in the General Fund. Accounting and reporting systems are in compliance with the Hospital Disclosure Act, Health and Safety Code Sections 440-442.10.

General Hospital Medical Center—This Enterprise Fund was established on July 1, 1980, pursuant to the Board of Supervisor's Resolution No. 865-81. The accounting and reporting system for San Francisco General Hospital Medical Center is in accordance with Government Code Section 25261 and the Hospital Disclosure Act, Health and Safety Code Sections 440-442.10.

Clean Water Program—This Enterprise Fund was created after voters approved a proposition in 1976, authorizing the City to issue \$240 million in bonds for the purpose of acquiring, constructing, improving and financing improvements to the City municipal sewage treatment and disposal system. Board of Supervisors Resolution No. 973-77 required the Controller to keep separate records and accounts of the enterprise beginning July 1, 1977.

Parking Garages/Other—Various nonprofit corporations and funds have been formed for the purpose of providing financial and other assistance to the City or Redevelopment Agency in the acquisition of land, construction of facilities, and management of various projects, as follows:

1. Downtown Parking Corporation
2. Uptown Parking Corporation
3. Western Addition Parking Corporation
4. Ellis-O'Farrell Parking Corporation
5. Portsmouth Plaza Parking Corporation
6. City of San Francisco Market Corporation
7. South Beach Harbor Enterprise Fund

CITY AND COUNTY OF SAN FRANCISCO

ENTERPRISE FUNDS

Combining Balance Sheet

June 30, 1992

With comparative totals for June 30, 1991

(In Thousands)

ASSETS

	San Francisco International Airport	Port of San Francisco	Water Dept./ Hetch Hetchy Project	Municipal Railway	Laguna Honda Hospital	General Hospital Medical Center	Clean Water Program	Parking Garages/ Other	Total	
									1992	1991
Deposits and investments	\$230,761	\$ 19,966	\$ 79,345	—	—	—	\$ 9,937	\$ 4,031	\$ 265,870	\$ 354,943
Investments with trustee	—	—	—	—	—	—	—	16,579	16,579	12,639
Receivables (net of allowance for uncollectible amounts of \$50,033 in 1992)	—	—	—	—	—	—	—	—	—	—
Federal and state grants and subventions	1,767	789	447	25,263	—	—	—	—	28,266	47,107
Charges for services	9,835	3,492	16,852	—	8,108	40,564	18,449	654	97,954	108,939
Interest and other	5,072	4,494	1,480	1,708	—	571	1,791	26	15,142	17,634
Due from other funds	—	114	620	31,649	136	27,067	1,101	83	60,770	14,012
Inventories	559	1,453	4,239	15,953	1,337	4,249	—	—	27,790	27,757
Restricted assets:										
Deposits and investments	108,615	12,802	67,624	69,158	2,359	2,362	315,865	36	578,821	513,010
Investments with trustee	51,173	11,223	109,170	27,436	—	—	47,716	6,071	252,789	149,374
Grants and other receivables	2,322	—	2,125	10,112	229	36	8,534	—	23,358	31,972
Fixed assets (net of accumulated depreciation)	541,033	187,123	622,134	461,375	12,444	41,019	1,089,158	62,670	3,016,956	2,820,508
Deferred charges and other assets	3,823	1,523	4,518	—	263	35	2,783	271	13,216	5,924
Total assets	<u>\$954,960</u>	<u>\$242,979</u>	<u>\$908,554</u>	<u>\$621,632</u>	<u>\$22,481</u>	<u>\$ 61,150</u>	<u>\$1,495,334</u>	<u>\$90,421</u>	<u>\$4,397,511</u>	<u>\$4,103,819</u>

LIABILITIES

Accounts payable	\$ 3,999	\$ 1,052	\$ 20,248	\$ 15,001	\$ 2,193	\$ 11,405	\$ 18,367	\$ 1,839	\$ 74,104	\$ 50,057
Accrued payroll	1,909	366	1,372	5,126	2,110	4,133	—	117	15,133	32,702
Accrued vacation and sick leave pay	4,569	1,125	5,622	14,014	4,554	9,329	1,909	4	41,126	43,812
Accrued workers' compensation	3,807	577	3,179	20,510	2,931	5,839	700	—	37,543	34,452
Estimated claims payable	—	600	6,041	13,121	—	—	—	—	19,762	18,108
Due to other funds	6,460	426	4,094	7,299	3,344	2,858	6,350	5,327	36,158	78,904
Deferred credits and other liabilities	27,788	3,994	2,049	7,723	330	701	4,274	1,799	48,658	40,291
Bond interest payable	7,221	153	77	274	—	—	12,716	2,684	23,125	18,585
Bonds, loans and capital leases payable	487,419	70,962	292,899	10,056	1,319	3,087	618,301	37,494	1,521,537	1,267,759
Liabilities payable from restricted assets	4,798	4,244	4,482	—	2,588	2,398	10,918	96	29,524	37,363
Total liabilities	<u>\$47,970</u>	<u>\$3,499</u>	<u>\$340,063</u>	<u>\$93,124</u>	<u>\$19,369</u>	<u>\$39,750</u>	<u>\$673,535</u>	<u>\$49,360</u>	<u>\$1,846,670</u>	<u>\$1,622,033</u>

FUND EQUITY

Contributed capital, net	108,268	76,195	46,506	381,501	8,448	57,220	670,077	—	1,348,215	1,311,206
Retained earnings										
Unreserved (deficit)	298,722	83,285	521,985	147,007	(5,336)	(35,820)	151,722	41,061	1,202,626	1,170,580
Total fund equity	<u>406,990</u>	<u>159,480</u>	<u>568,491</u>	<u>528,508</u>	<u>3,112</u>	<u>21,400</u>	<u>821,799</u>	<u>41,061</u>	<u>2,550,841</u>	<u>2,481,786</u>
Total liabilities and fund equity	<u>\$954,960</u>	<u>\$242,979</u>	<u>\$908,554</u>	<u>\$621,632</u>	<u>\$22,481</u>	<u>\$ 61,150</u>	<u>\$1,495,334</u>	<u>\$90,421</u>	<u>\$4,397,511</u>	<u>\$4,103,819</u>

CITY AND COUNTY OF SAN FRANCISCO

ENTERPRISE FUNDS

Combining Statement of Revenues, Expenses
and Changes in Retained Earnings

Year ended June 30, 1992

With comparative totals for the year ended June 30, 1991

(In Thousands)

	San Francisco International Airport	Port of San Francisco	Water Dept./ Hetch Hatch Project	Municipal Railway	Laguna Honda Hospital	General Hospital Medical Center	Clean Water Program	Parking Garages/ Other	Total	
									1992	1991
Operating revenues:										
Charges for services.....	\$ 63,110	\$ 7,721	\$158,918	\$ 82,445	\$83,297	\$164,941	\$ 85,998	\$13,190	\$ 659,620	\$ 567,787
Rent and concessions	99,156	24,837	3,825	—	—	—	—	3,021	130,839	129,472
Other	—	1,424	2,245	2,030	186	966	—	24	6,875	7,215
Total operating revenues	162,266	33,982	164,988	84,475	83,483	165,907	85,998	16,235	797,334	704,474
Operating expenses:										
Personal services	48,330	13,355	40,310	205,006	78,572	153,872	26,648	4,264	570,357	559,709
Contractual services	22,668	1,173	27,726	7,365	2,821	42,430	7,362	1,938	113,483	104,320
Light, heat and power	8,121	1,831	23,614	3,138	—	1,965	5,495	817	44,981	48,710
Materials and supplies	3,132	1,014	5,125	20,105	6,967	29,115	4,820	389	70,667	65,513
Depreciation	28,833	4,644	19,885	24,011	1,123	4,884	23,511	713	107,604	101,275
Services provided by other departments	8,307	2,794	14,140	25,311	2,945	16,636	7,758	—	77,891	69,655
Other	5,969	4,960	9,440	13,860	—	25,680	1,774	3,188	64,871	38,581
Total operating expenses	125,360	29,771	140,240	298,796	92,428	274,582	77,368	11,309	1,049,854	987,763
Operating income (loss)	36,906	4,211	24,748	(214,321)	(8,945)	(108,675)	8,630	4,926	(252,520)	(283,289)
Nonoperating revenues (expenses):										
Operating grants:										
Federal	—	—	893	7,508	—	—	—	—	8,401	7,818
State/Other	—	—	257	52,805	—	13,500	—	—	66,562	84,628
Interest income	23,409	2,147	6,008	1,182	—	249	21,722	1,186	55,903	47,605
Interest expense	(33,904)	(4,383)	(609)	(744)	—	(516)	(35,452)	(1,756)	(77,364)	(65,838)
Other, net	9,529	—	(3,636)	10,801	—	984	(2,286)	108	15,500	5,368
	(966)	(2,236)	2,913	71,552	—	14,217	(16,016)	(462)	69,002	79,601
Income (loss) before operating transfers	35,940	1,975	27,661	(142,769)	(8,945)	(94,458)	(7,386)	4,464	(183,518)	(203,688)
Operating transfers in	—	—	2,169	119,250	8,235	89,531	4,632	599	224,416	218,388
Operating transfers out	(14,174)	—	(13,169)	—	—	(100)	—	(2,788)	(30,231)	(36,142)
	(14,174)	—	(11,000)	119,250	8,235	89,431	4,632	(2,189)	194,185	182,246
Net income (loss) before extraordinary items	21,766	1,975	16,661	(23,519)	(710)	(5,027)	(2,754)	2,275	10,667	(21,442)
Extraordinary items	(11,709)	—	(2,921)	—	—	—	—	—	(14,630)	—
Net income (loss)	10,057	1,975	13,740	(23,519)	(710)	(5,027)	(2,754)	2,275	(3,963)	(21,442)
Depreciation on fixed assets purchased with externally restricted sources that reduces contributed capital	—	—	1,181	21,051	—	—	14,777	—	37,009	33,654
Retained earnings (deficit) at beginning of year	288,665	81,310	507,064	150,475	(4,626)	(30,793)	139,699	38,786	1,170,580	1,158,368
Residual equity transfer out	—	—	—	(1,000)	—	—	—	—	(1,000)	—
Retained earnings (deficit) at end of year	\$298,722	\$83,285	\$521,985	\$147,007	\$(5,336)	\$(35,820)	\$151,722	\$41,061	\$1,202,626	\$1,170,580

CITY AND COUNTY OF SAN FRANCISCO

ENTERPRISE FUNDS

Combining Statement of Cash Flows

Year ended June 30, 1992

With comparative totals for the year ended June 30, 1991

(In Thousands)

	San Francisco International Airport	Port of San Francisco	Water Dept./ Hetch Hetch Project	Municipal Railway	Laguna Honda Hospital	General Hospital Medical Center	Clean Water Program	Parking Garages/ Other	Total	
									1992	1991
Cash flows from operating activities:										
Operating income (loss)	\$ 36,906	\$ 4,211	\$ 24,748	\$(214,321)	\$ (8,945)	\$(108,675)	\$ 8,630	\$ 4,926	\$(252,520)	\$(283,288)
Adjustments for noncash activities:										
Depreciation	28,833	4,844	19,885	24,011	1,123	4,884	23,511	713	107,604	101,277
Provision for uncollectibles	196	83	—	58	—	20,605	—	—	20,942	20,277
Other	73	(98)	—	—	—	13	—	—	(12)	5
Changes in assets/liabilities:										
Receivables (net)	(428)	(914)	1,583	(31)	5,230	(9,813)	(2,844)	(420)	(7,637)	(39,877)
Due from other funds	—	(82)	54	565	939	(16,927)	(735)	(83)	(16,269)	2,777
Inventories	(229)	(78)	(499)	1,259	79	(565)	—	—	(33)	1,241
Deferred charges and other assets ..	(228)	10	(4,440)	—	(173)	2,049	—	(29)	(2,811)	(2,088)
Accounts payable	493	(404)	7,909	3,911	870	4,066	(1,435)	678	16,088	(1,499)
Accrued payroll	(3,075)	(781)	(1,617)	(4,989)	(2,338)	(4,244)	—	(12)	(17,051)	5,022
Estimated claims payable	—	—	418	1,000	—	—	—	—	1,418	32
Due to other funds	950	(1,318)	(176)	(35,877)	(6,260)	(1,282)	(549)	1,544	(42,968)	31,688
Deferred credits and other liabilities ..	1,432	30	(157)	(339)	—	213	—	(2,204)	(1,025)	(1,577)
Net cash provided by (used in) operating activities	64,923	5,303	47,708	(224,748)	(9,475)	(109,676)	26,578	5,113	(194,274)	(165,666)
Cash flows from noncapital financing activities:										
Operating grants received	—	—	1,123	61,953	—	758	—	—	63,834	79,377
Operating transfers in	—	—	2,169	87,945	8,235	89,531	—	599	188,479	214,788
Operating transfers out	(14,586)	—	(13,169)	—	—	(100)	—	(2,788)	(30,643)	(36,141)
Residual equity transfers out	—	—	—	(1,000)	—	—	—	—	(1,000)	—
Net increase (decrease) in noncapital borrowing	—	—	—	—	—	(68,998)	—	—	(68,998)	6,627
Other noncapital financing activities ..	8,172	320	(2,652)	11,107	—	13,245	—	—	30,192	7,133
Net cash provided by (used in) noncapital financing activities	(6,414)	320	(12,529)	160,005	8,235	34,436	—	(2,189)	181,864	271,777
Cash flows from capital financing activities:										
Capital grants	3,994	1,183	—	77,170	—	444	17,355	—	100,146	61,788
Bond sale proceeds, net	222,208	—	101,868	—	—	—	165,821	6,600	496,497	66,544
Payment to refunded bond escrow agent ..	(219,357)	—	—	—	—	—	—	—	(219,357)	—
State loan proceeds	—	—	—	—	—	—	60,284	—	60,284	47,711
Proceeds from sale of fixed assets	26	—	75	25	—	—	—	—	126	51
Transfers from other funds for debt service	—	—	—	—	—	—	4,632	—	4,632	4,611
Acquisition of fixed assets	(33,600)	(1,690)	(75,819)	(65,764)	(1,109)	(2,240)	(105,365)	(4,962)	(290,549)	(216,618)
Retirement of capital lease obligations ..	(261)	—	(351)	(230)	(172)	(1,466)	—	—	(2,480)	(2,033)
Retirement of general obligation bonds ..	(2,735)	(2,255)	(1,580)	—	—	—	(3,105)	—	(9,675)	(11,799)
Retirement of revenue bonds	(11,195)	(1,780)	—	(2,190)	—	—	(8,565)	(1,459)	(25,189)	(20,077)
Interest paid on long term debt	(38,368)	(5,884)	(13,952)	(802)	—	—	(31,704)	(1,886)	(92,596)	(82,871)
Other capital financing activities	16,875	981	—	—	—	—	—	—	17,856	19,621
Net cash provided by (used in) capital financing activities	(62,413)	(9,445)	10,241	8,209	(1,281)	(3,262)	99,353	(1,707)	39,695	(133,061)
Cash flows from investing activities:										
Net decrease (increase) in investments with trustees—restricted and unrestricted ..	—	—	(101,591)	3,182	—	—	—	(4,869)	(103,278)	(4,499)
Net decrease (increase) in restricted deposits and investments	24,820	1,217	49,373	608	52	(1,965)	(147,714)	(2)	(73,611)	(12,777)
Interest income received	14,453	2,228	19,387	1,767	—	249	21,153	1,186	60,423	53,041
Other, net	—	—	—	—	—	—	—	108	108	12
Net cash provided by (used in) investing activities	39,273	3,445	(32,831)	5,557	52	(1,716)	(126,561)	(3,577)	(116,358)	35,899
Net increase (decrease) in cash and cash equivalents	35,369	(377)	12,589	(50,977)	(2,469)	(80,218)	(630)	(2,360)	(89,073)	8,931
Cash and cash equivalents—beginning of year	195,392	20,343	66,756	29,955	74	25,465	10,567	6,391	354,943	346,001
Cash and cash equivalents—end of year ..	\$230,761	\$19,966	\$79,345	\$(21,022)	\$(2,395)	\$(54,753)	\$9,937	\$4,031	\$265,870	\$354,932
Noncash investing, capital and financing activities:										
Equipment leases	\$ 206	\$ —	\$ 276	\$ —	\$ —	\$ 336	\$ —	\$ —	\$ 818	\$ 2,741
Extraordinary items	11,709	—	2,921	—	—	—	—	—	14,630	—
Accretion of interest on long term debt ..	—	—	1,484	—	—	—	—	—	1,484	1,301
Amortization of bond discount	—	—	259	—	—	—	—	—	259	111
	\$ 11,915	\$ —	\$ 4,940	\$ —	\$ —	\$ 336	\$ —	\$ —	\$ 17,191	\$ 4,151

CITY AND COUNTY OF SAN FRANCISCO

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods and services provided by one department or agency to other departments or agencies on a cost reimbursement basis. Two funds include 91.6% of total revenues of this fund type. Three minor funds represent the remaining 8.4%, the largest being 3.4% of the total. Operations of that fund grouping are shown in a separate schedule.

Data Processing Fund—Accounts for centralized data processing activity and the related billings to various departments for services performed.

Central Shops Fund—Accounts for Central Shops equipment (primarily vehicle) maintenance service charges and the related billings to various departments.

Other Internal Service Funds—Accounts for the financing of services such as reproduction, electricity, etc., provided by one department to other departments on a cost reimbursement basis.

CITY AND COUNTY OF SAN FRANCISCO

INTERNAL SERVICE FUNDS

Combining Balance Sheet

June 30, 1992

With comparative totals for June 30, 1991

(In Thousands)

ASSETS

	Data Processing Fund	Central Shops Fund	Other Internal Service Funds	Total	
				1992	1991
Deposits and investments	\$ 2,565	\$ (1,592)	\$ 151	\$ 1,124	\$ 2,055
Charges for services receivable	448	—	—	448	641
Due from other funds	3,223	3,353	664	7,240	7,175
Inventories	99	—	19	118	118
Fixed assets (net of accumulated depreciation)	1,966	646	374	2,986	3,272
Other assets	—	—	—	—	144
Total assets	<u>\$ 8,301</u>	<u>\$ 2,407</u>	<u>\$ 1,208</u>	<u>\$ 11,916</u>	<u>\$ 13,405</u>

LIABILITIES

Accounts payable	\$ 667	\$ 543	\$ 138	\$ 1,348	\$ 1,849
Accrued payroll	270	144	57	471	1,077
Due to other funds	279	78	99	456	2,089
Other liabilities	—	—	5	5	5
Capital leases payable	101	—	—	101	141
Total liabilities	<u>1,317</u>	<u>765</u>	<u>299</u>	<u>2,381</u>	<u>5,161</u>

FUND EQUITY

Contributed capital, net	3,603	144	—	3,747	4,143
Retained earnings:					
Reserved	2,620	—	288	2,908	3,654
Unreserved	761	1,498	621	2,880	447
Total fund equity	<u>6,984</u>	<u>1,642</u>	<u>909</u>	<u>9,535</u>	<u>8,244</u>
Total liabilities and fund equity	<u>\$ 8,301</u>	<u>\$ 2,407</u>	<u>\$ 1,208</u>	<u>\$ 11,916</u>	<u>\$ 13,405</u>

CITY AND COUNTY OF SAN FRANCISCO

INTERNAL SERVICE FUNDS

Combining Statement of Revenues, Expenses
and Changes in Fund Equity

Year ended June 30, 1992

With comparative totals for the year ended June 30, 1991

(In Thousands)

	Data Processing Fund	Central Shops Fund	Other Internal Service Funds	Total	
				1992	1991
Operating revenues:					
Charges for services	\$17,222	\$11,225	\$2,598	\$31,045	\$29,815
Total operating revenues	<u>17,222</u>	<u>11,225</u>	<u>2,598</u>	<u>31,045</u>	<u>29,815</u>
Operating expenses:					
Personal services	8,878	4,160	1,507	14,545	15,161
Contractual services	5,749	1,743	518	8,010	6,934
Materials and supplies	329	4,382	719	5,430	6,625
Depreciation	560	396	33	989	1,276
Services provided by other departments	158	150	194	502	402
Total operating expenses	<u>15,674</u>	<u>10,831</u>	<u>2,971</u>	<u>29,476</u>	<u>30,398</u>
Operating income(loss) before operating transfers	1,548	394	(373)	1,569	(583)
Operating transfers out	(134)	—	(144)	(278)	—
Net income (loss)	1,414	394	(517)	1,291	(583)
Depreciation on fixed assets purchased with externally restricted sources that reduces contributed capital	—	396	—	396	540
Retained earnings at beginning of year	1,967	708	1,426	4,101	4,144
Retained earnings at end of year	<u>3,381</u>	<u>1,498</u>	<u>909</u>	<u>5,788</u>	<u>4,101</u>
Contributed capital at beginning of year	3,603	540	—	4,143	4,503
Depreciation on contributed assets	—	(396)	—	(396)	(540)
Contributed assets	—	—	—	—	180
Contributed capital at end of year	<u>3,603</u>	<u>144</u>	<u>—</u>	<u>3,747</u>	<u>4,143</u>
Total fund equity at end of year	<u>\$ 6,984</u>	<u>\$ 1,642</u>	<u>\$ 909</u>	<u>\$ 9,535</u>	<u>\$ 8,244</u>

CITY AND COUNTY OF SAN FRANCISCO

INTERNAL SERVICE FUNDS

Schedule of Revenues and Expenses—
Individual Fund Grouping

Year ended June 30, 1992

(In Thousands)

<u>Fund</u>	<u>Operating Revenues</u>	<u>Operating Expenses</u>	<u>Operating Transfers</u>	<u>Net Income (Loss)</u>
Other Internal Service Funds:				
Reproduction.....	\$1,007	\$ 866	\$ —	\$ 141
Real Estate	1,048	1,147	—	(99)
Electricity	543	958	(144)	(559)
	<u>\$2,598</u>	<u>\$2,971</u>	<u>\$ (144)</u>	<u>\$ (517)</u>

CITY AND COUNTY OF SAN FRANCISCO

INTERNAL SERVICE FUNDS

Combining Statement of Cash Flows

Year ended June 30, 1992

With comparative totals for the year ended June 30, 1991

(In Thousands)

	Data Processing Fund	Central Shops Fund	Other Internal Service Funds	Total	
				1992	1991
Cash flows from operating activities:					
Operating income (loss)	\$ 1,548	\$ 394	\$ (373)	\$ 1,569	\$ (583)
Adjustments for noncash activities:					
Depreciation	560	396	33	989	1,276
Changes in assets/liabilities:					
Receivables, net	193	—	—	193	(641)
Due from other funds	(394)	(188)	517	(65)	(1,549)
Deferred charges and other assets	—	—	144	144	(139)
Accounts payable	(374)	(154)	27	(501)	709
Accrued payroll	(408)	(155)	(43)	(606)	79
Due to other funds	180	(1,816)	3	(1,633)	(596)
Deferred credits and other liabilities	(40)	—	—	(40)	(23)
Net cash provided by (used in) operating activities	<u>1,265</u>	<u>(1,523)</u>	<u>308</u>	<u>50</u>	<u>(1,467)</u>
Cash flows from noncapital financing activities:					
Operating transfers out	(134)	—	(144)	(278)	—
Net cash provided by (used in) noncapital financing activities	(134)	—	(144)	(278)	—
Cash flows from capital financing activities:					
Acquisition of fixed assets	(621)	(69)	(13)	(703)	(1,349)
Net cash provided by (used in) capital financing activities	(621)	(69)	(13)	(703)	(1,349)
Net increase (decrease) in cash and cash equivalents	510	(1,592)	151	(931)	(2,816)
Cash and cash equivalents—beginning of year	<u>2,055</u>	<u>—</u>	<u>—</u>	<u>2,055</u>	<u>4,871</u>
Cash and cash equivalents—end of year	<u>\$ 2,565</u>	<u>\$ (1,592)</u>	<u>\$ 151</u>	<u>\$ 1,124</u>	<u>\$ 2,055</u>
Noncash investing, capital and financing activities:					
Contributed capital	\$ —	\$ —	\$ —	\$ —	\$ 180
Disposal of equipment	—	—	—	—	(53)
	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 127</u>

CITY AND COUNTY OF SAN FRANCISCO

FIDUCIARY FUNDS

Fiduciary Funds include all Trust and Agency Funds which account for assets held by the City as a trustee or as an agent for individuals, other governmental units and/or other funds.

Pension Trust Fund

Employees' Retirement System—Accounts for the contributions from employees, City contributions and the earnings and profits from investments of monies. Disbursements are made for retirements, withdrawal, disability, and death benefits of the employees as well as administrative expenses.

Nonexpendable Trust Fund

Health Service System—Accounts for the contributions from active and retired employees, and surviving spouses, City contributions and the earnings and profits from investment of monies. Disbursements are made for medical expenses and to various health plans of the beneficiaries.

Expendable Trust Funds

Expendable Trust Funds are trust funds whose resources, including both principal and earnings, may be expended. Two funds include 94.5% of the expendable trust funds' assets at June 30, 1992. The remaining five funds account for 5.5% of total assets for this category, the largest individual fund being 2.7%. Operations of five active funds are summarized in a separate schedule.

Gift Fund—Accounts for certain cash gifts which have been accepted by the Board of Supervisors on behalf of the City. Disbursements are made by departments, board and commissions in accordance with the purposes, if any, specified by the donor. Activities are controlled by project accounting procedures maintained by the Controller. At June 30, 1992, over 200 projects existed.

Fuhrman Bequest Fund—Accounts for income and disbursements of a bequest accepted by the City in 1941. In accordance with terms of the bequest one-half of the fund is used for the benefit of the Public Library and one-half is used for the benefit of Golden Gate Park.

Other Expendable Trust Funds—Account for operations of four smaller funds that cannot properly be grouped into the Gift Fund because of their specific terms.

Agency Funds

Agency Funds are custodial in nature and do not involve measurement of results of operations. Such funds have no equity accounts since all assets are due to individuals or entities at some future time. Nine funds include 98.5% of total agency assets and liabilities at June 30, 1992. Twenty-one minor funds total 1.5% of total agency assets and liabilities, the largest individual fund being 0.9%. Changes in assets and liabilities for that fund grouping are shown in a separate schedule.

Payroll Deduction Fund—Accounts for payroll deductions held by the City as an agent for the Federal and state governments, individuals, private organizations and other funds. Settlements of these funds are made periodically.

Unapportioned Taxes and Interest Fund—Accounts for monies received for current and delinquent taxes and for pooled cash interest earnings which must be held pending authority for distribution. Included are prepaid taxes, disputed taxes, duplicate payment of taxes, etc., as well as accrued interest.

Transportation Fund—Accounts for the quarter of one percent sales tax collected by the State Board of Equalization and deposited with the County of origin for local transportation support. The Metropolitan Transportation Commission, the regional agency responsible for administration of these monies, directs their use and distribution.

CITY AND COUNTY OF SAN FRANCISCO

FIDUCIARY FUNDS—(Continued)

Deposits Fund—Accounts for all deposits under the control of the City departments. Dispositions of the deposits are governed by the terms of the statutes and ordinances establishing the deposit requirement.

Assistance Program Fund—Accounts for collections and advances received as an agent under various human welfare and community health programs. Monies are disbursed in accordance with legal requirements and program regulations.

Claims Settlement Fund—Accounts for monies deposited by third parties pending settlement of litigation and claims. Upon final settlement, monies and accrued interest are disbursed as directed by the courts or by parties to the dispute.

Deferred Compensation Plan Fund—Accounts for assets of the Deferred Compensation Plans for the employees of the City and Redevelopment Agency.

School and College District Fund—Accounts for receipts and disbursements of money held as an agent for the San Francisco Unified School District and the San Francisco Community College District. Pursuant to the California Education Code, all receipts for school districts and college districts must be deposited with the appropriate County.

Construction Deposits Fund—Accounts for assets of bond issues sold by the Redevelopment Agency on behalf of the City and/or other parties. Proceeds are held by bank trust departments pending authorized draw-downs.

Other Agency Funds—Account for monies held as an agent for a variety of purposes.

CITY AND COUNTY OF SAN FRANCISCO

FIDUCIARY FUNDS

Combining Balance Sheet

June 30, 1992

With comparative totals as of June 30, 1991

(In Thousands)

ASSETS

	Pension Trust Fund	Non- expendable Trust Fund	Expend- able Trust Funds	Agency Funds	Total	
	Employees' Retirement System	Health Service System			1992	1991
Deposits and investments	\$ —	\$36,616	\$ 9,320	\$194,224	\$ 240,160	\$ 258,830
Investments with trustee	4,836,236	—	—	215,800	5,052,036	4,526,061
Interest and other receivables	93,082	4,088	790	88,967	186,927	162,795
Due from other funds	266	—	77	1,159	1,502	4,772
Deferred charges and other assets	—	—	345	1,041	1,386	4,808
Total assets	<u>\$4,929,584</u>	<u>\$40,704</u>	<u>\$10,532</u>	<u>\$501,191</u>	<u>\$5,482,011</u>	<u>\$4,957,266</u>

LIABILITIES

Accounts payable	\$ 2,662	\$ 3,301	\$ 120	\$ 31,207	\$ 37,290	\$ 26,434
Accrued payroll	94	—	12	—	106	213
Accrued vacation and sick leave pay	402	—	—	—	402	450
Estimated claims payable	51	10,410	—	—	10,461	9,104
Due to other funds	74	1,618	197	24,096	25,985	68,253
Agency obligations:						
School and College Districts	—	—	—	120,034	120,034	125,239
Other	—	—	—	130,297	130,297	116,372
Deferred credits and other liabilities	31,593	9,244	86	195,557	236,480	188,166
Total liabilities	<u>34,876</u>	<u>24,573</u>	<u>415</u>	<u>501,191</u>	<u>561,055</u>	<u>534,231</u>

FUND EQUITY

Fund balances:						
Reserved for employees'						
retirement/health benefits	4,894,708	16,131	—	—	4,910,839	4,413,133
Reserved for inventory type assets not						
available for appropriation	—	—	345	—	345	346
Reserved for appropriation carryforward	—	—	5,183	—	5,183	4,698
Unreserved—undesignated	—	—	4,589	—	4,589	4,858
Total fund equity	<u>4,894,708</u>	<u>16,131</u>	<u>10,117</u>	<u>—</u>	<u>4,920,956</u>	<u>4,423,035</u>
Total liabilities and fund equity	<u>\$4,929,584</u>	<u>\$40,704</u>	<u>\$10,532</u>	<u>\$501,191</u>	<u>\$5,482,011</u>	<u>\$4,957,266</u>

CITY AND COUNTY OF SAN FRANCISCO
PENSION TRUST AND NONEXPENDABLE TRUST FUNDS
Comparative Statement of Revenues, Expenses and Changes in Fund Equity
Year ended June 30, 1992
With comparative totals for the year ended June 30, 1991
(In Thousands)

	Pension Trust Fund		Nonexpendable Trust Fund	
	Employees' Retirement System		Health Service System	
	1992	1991	1992	1991
Operating revenues:				
Contributions	\$ 269,300	\$ 309,712	\$135,098	\$119,909
Income from investments	471,029	347,915	2,113	2,099
Total operating revenues	<u>740,329</u>	<u>657,627</u>	<u>137,211</u>	<u>122,008</u>
Operating expenses:				
Contractual services	—	—	97,682	79,024
General and administrative	6,628	3,848	—	—
Benefit payments	231,775	211,770	43,749	39,634
Total operating expenses	<u>238,403</u>	<u>215,618</u>	<u>141,431</u>	<u>118,658</u>
Net income (loss)	501,926	442,009	(4,220)	3,350
Fund equity at beginning of year	4,392,782	3,950,773	20,351	17,001
Fund equity at end of year	<u>\$4,894,708</u>	<u>\$4,392,782</u>	<u>\$ 16,131</u>	<u>\$ 20,351</u>

CITY AND COUNTY OF SAN FRANCISCO

NONEXPENDABLE TRUST FUND

Comparative Statement Of Cash Flows

Year ended June 30, 1992

With comparative totals for the year ended June 30, 1991

(In Thousands)

	Nonexpendable Trust Fund	
	Health Service System	
	1992	1991
Cash flows from operating activities:		
Operating (loss) income	\$ (4,220)	\$ 3,350
Adjustments for non-cash activities:		
Changes in assets/liabilities:		
Receivables, net	(342)	(569)
Due from other funds	1,564	1,749
Accounts payable	1,122	191
Estimated claims payable	1,306	1,634
Due to other funds	1,618	—
Deferred credits and other liabilities	4,168	652
Net cash provided by operating activities	5,216	7,007
Cash and cash equivalents—beginning of year	31,400	24,393
Cash and cash equivalents—end of year	<u>36,616</u>	<u>\$31,400</u>

CITY AND COUNTY OF SAN FRANCISCO

EXPENDABLE TRUST FUNDS

Combining Balance Sheet

June 30, 1992

With comparative totals as of June 30, 1991

(In Thousands)

ASSETS

	Gift Fund	Fuhrman Bequest Fund	Other Expendable Trust Funds	Total	
				1992	1991
Deposits and investments	\$5,601	\$3,151	\$568	\$ 9,320	\$12,132
Interest and other receivables	790	—	—	790	934
Due from other funds	51	26	—	77	16
Deferred charges and other assets	281	49	15	345	347
Total assets	<u>\$6,723</u>	<u>\$3,226</u>	<u>\$583</u>	<u>\$10,532</u>	<u>\$13,429</u>

LIABILITIES

Accounts payable	\$ 112	\$ 8	\$ —	\$ 120	\$ 60
Accrued payroll	10	2	—	12	30
Due to other funds	191	6	—	197	3,347
Deferred credits and other liabilities	—	—	86	86	90
Total liabilities	<u>313</u>	<u>16</u>	<u>86</u>	<u>415</u>	<u>3,527</u>

FUND EQUITY

Fund balances:

Reserved for inventory type assets not available for appropriation	281	49	15	345	346
Reserved for appropriation carryforward	4,346	822	15	5,183	4,698
Unreserved—undesignated	<u>1,783</u>	<u>2,339</u>	<u>467</u>	<u>4,589</u>	<u>4,858</u>
Total fund equity	<u>6,410</u>	<u>3,210</u>	<u>497</u>	<u>10,117</u>	<u>9,902</u>
Total liabilities and fund equity	<u>\$6,723</u>	<u>\$3,226</u>	<u>\$583</u>	<u>\$10,532</u>	<u>\$13,429</u>

CITY AND COUNTY OF SAN FRANCISCO

EXPENDABLE TRUST FUNDS

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Year ended June 30, 1992

With comparative totals for the year ended June 30, 1991

(In Thousands)

	Gift Fund	Fuhrman Bequest Fund	Other Expendable Trust Funds	Total	
				1992	1991
Revenues:					
Grants, subventions and other allocations	\$ 192	\$ —	\$ —	\$ 192	\$ 242
Interest and investment earnings	302	570	5	877	1,176
Charges for services	22	—	—	22	580
Contributions	4,495	—	7	4,502	5,479
Total revenues	<u>5,011</u>	<u>570</u>	<u>12</u>	<u>5,593</u>	<u>7,477</u>
Expenditures:					
Public protection	39	—	—	39	29
Public works, transportation and commerce ...	27	—	—	27	21
Human welfare and neighborhood development	346	—	5	351	885
Community health	249	—	—	249	218
Culture and recreation	4,310	280	1	4,591	2,098
General administration and finance	103	—	—	103	493
Total expenditures	<u>5,074</u>	<u>280</u>	<u>6</u>	<u>5,360</u>	<u>3,744</u>
Excess (deficiency) of revenues over expenditures	<u>(63)</u>	<u>290</u>	<u>6</u>	<u>233</u>	<u>3,733</u>
Other financing sources uses:					
Operating transfers in	—	—	—	—	43
Operating transfers out	<u>(13)</u>	<u>—</u>	<u>(6)</u>	<u>(19)</u>	<u>(5,639)</u>
	<u>(13)</u>	<u>—</u>	<u>(6)</u>	<u>(19)</u>	<u>(5,596)</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(76)	290	—	214	(1,863)
Fund balances at beginning of year	6,485	2,920	497	9,902	11,770
Net change in reserve for assets not available for appropriation	<u>1</u>	<u>—</u>	<u>—</u>	<u>1</u>	<u>(5)</u>
Fund balances at end of year	<u>\$6,410</u>	<u>\$3,210</u>	<u>\$497</u>	<u>\$10,117</u>	<u>\$9,902</u>

CITY AND COUNTY OF SAN FRANCISCO
OTHER EXPENDABLE TRUST FUNDS

Schedule of Revenues and Expenditures—
Individual Fund Grouping

Year ended June 30, 1992

(In Thousands)

<u>Fund</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Excess (Deficiency) of Revenues Over (Under) Expenditures</u>
Social Services Building	\$ 7	—	\$ 7
PPIE Scholarship Principal	1	—	1
Special Anecdotal-Library	1	1	—
Robinson Bequest	2	—	2
Windell Bequest	1	5	(4)
	<u>\$12</u>	<u>\$ 6</u>	<u>\$ 6</u>

CITY AND COUNTY OF SAN FRANCISCO

AGENCY FUNDS

Combining Statement of Changes in Assets and Liabilities

Year ended June 30, 1992

(In Thousands)

	Balance June 30, 1991	Additions	Deductions	Balance June 30, 1992
Payroll Deduction Fund				
ASSETS				
Deposits and investments	\$ 3,845	\$ 479,571	\$ 478,172	\$ 5,244
Interest and other receivables	262	883	63	1,082
Due from other funds	—	—	—	—
Deferred charges and other assets	—	—	—	—
Total assets	<u>\$ 4,107</u>	<u>\$ 480,454</u>	<u>\$ 478,235</u>	<u>\$ 6,326</u>
LIABILITIES				
Accounts payable	\$ 3,944	\$ 47,806	\$ 46,427	\$ 5,323
Due to other funds	3	1,003	3	1,003
Agency obligations:				
School and College Districts	—	—	—	—
Other liabilities	160	497,584	497,744	—
Other	—	—	—	—
Total liabilities	<u>\$ 4,107</u>	<u>\$ 546,393</u>	<u>\$ 544,174</u>	<u>\$ 6,326</u>
Unapportioned Taxes and Interest Fund				
ASSETS				
Deposits and investments	\$14,241	\$ 712,789	\$ 713,673	\$13,357
Interest and other receivables	74,832	716,040	706,349	84,523
Due from other funds	2,273	6	2,273	6
Deferred charges and other assets	—	—	—	—
Total assets	<u>\$91,346</u>	<u>\$1,428,835</u>	<u>\$1,422,295</u>	<u>\$97,886</u>
LIABILITIES				
Accounts payable	\$ 9,496	\$ 18,851	\$ 18,597	\$ 9,750
Due to other funds	2,272	—	2,272	—
Agency obligations:				
School and College Districts	—	—	—	—
Other liabilities	79,578	782,732	774,174	88,136
Other	—	—	—	—
Total liabilities	<u>\$91,346</u>	<u>\$ 801,583</u>	<u>\$ 795,043</u>	<u>\$97,886</u>

(Continued)

CITY AND COUNTY OF SAN FRANCISCO

AGENCY FUNDS

Combining Statement of Changes in Assets and Liabilities—(Continued)

Year ended June 30, 1992

(In Thousands)

	Balance June 30, 1991	Additions	Deductions	Balance June 30, 1992
Transportation Fund				
ASSETS				
Deposits and investments	\$ 867	\$38,227	\$39,015	\$ 79
Interest and other receivables	—	—	—	—
Due from other funds	65	—	65	—
Deferred charges and other assets	—	—	—	—
Total assets	<u>\$ 932</u>	<u>\$38,227</u>	<u>\$39,080</u>	<u>\$ 79</u>
LIABILITIES				
Accounts payable	\$ 187	\$ 8	\$ 191	\$ 4
Due to other funds	90	—	90	—
Agency obligations:				
School and College Districts	—	—	—	—
Other liabilities	655	38,162	38,742	75
Other	—	—	—	—
Total liabilities	<u>\$ 932</u>	<u>\$38,170</u>	<u>\$39,023</u>	<u>\$ 79</u>
Deposits Fund				
ASSETS				
Deposits and investments	\$26,720	\$37,432	\$34,507	\$29,645
Interest and other receivables	1	—	—	1
Due from other funds	—	127	—	127
Deferred charges and other assets	505	16	245	276
Total assets	<u>\$27,226</u>	<u>\$37,575</u>	<u>\$34,752</u>	<u>\$30,049</u>
LIABILITIES				
Accounts payable	\$ 323	\$ 5,008	\$ 4,717	\$ 614
Due to other funds	1,928	2	1,929	1
Agency obligations:				
School and College Districts	—	—	—	—
Other liabilities	24,975	37,205	32,746	29,434
Other	—	—	—	—
Total liabilities	<u>\$27,226</u>	<u>\$42,215</u>	<u>\$39,392</u>	<u>\$30,049</u>

(Continued)

CITY AND COUNTY OF SAN FRANCISCO

AGENCY FUNDS

Combining Statement of Changes in Assets and Liabilities—(Continued)

Year ended June 30, 1992

(In Thousands)

	Balance June 30, 1991	Additions	Deductions	Balance June 30, 1992
Assistance Program Fund				
ASSETS				
Deposits and investments	\$ 5,103	\$ 32,964	\$ 32,360	\$ 5,707
Interest and other receivables	4	1	4	1
Due from other funds	2	—	1	1
Deferred charges and other assets	—	—	—	—
Total assets	<u>\$ 5,109</u>	<u>\$ 32,965</u>	<u>\$ 32,365</u>	<u>\$ 5,709</u>
LIABILITIES				
Accounts payable	\$ 275	\$ 142	\$ 364	\$ 53
Due to other funds	1,551	533	1,551	533
Agency obligations:				
School and College Districts	—	—	—	—
Other liabilities	3,283	33,002	31,162	5,123
Other	—	—	—	—
Total liabilities	<u>\$ 5,109</u>	<u>\$ 33,677</u>	<u>\$ 33,077</u>	<u>\$ 5,709</u>
Claims Settlement Fund				
ASSETS				
Deposits and investments	\$ 1,463	\$ 83	\$ 95	\$ 1,451
Interest and other receivables	—	—	—	—
Due from other funds	—	—	—	—
Deferred charges and other assets	—	—	—	—
Total assets	<u>\$ 1,463</u>	<u>\$ 83</u>	<u>\$ 95</u>	<u>\$ 1,451</u>
LIABILITIES				
Accounts payable	\$ 17	\$ 69	\$ 86	\$ —
Due to other funds	—	—	—	—
Agency obligations:				
School and College Districts	—	—	—	—
Other liabilities	1,446	75	70	1,451
Other	—	—	—	—
Total liabilities	<u>\$ 1,463</u>	<u>\$ 144</u>	<u>\$ 156</u>	<u>\$ 1,451</u>

(Continued)

CITY AND COUNTY OF SAN FRANCISCO

AGENCY FUNDS

Combining Statement of Changes in Assets and Liabilities—(Continued)

Year ended June 30, 1992

(In Thousands)

	Balance June 30, 1991	Additions	Deductions	Balance June 30, 1992
Deferred Compensation Plan Fund				
ASSETS				
Deposits and investments	\$ —	\$ —	\$ —	\$ —
Investments with trustee	166,780	38,714	12,394	193,100
Interest and other receivables	—	—	—	—
Due from other funds	—	—	—	—
Deferred charges and other assets	—	—	—	—
Total assets	<u>\$166,780</u>	<u>\$ 38,714</u>	<u>\$ 12,394</u>	<u>\$193,100</u>
LIABILITIES				
Accounts payable	\$ —	\$ —	\$ —	\$ —
Due to other funds	—	—	—	—
Agency obligations:				
School and College Districts	—	—	—	—
Other liabilities	—	—	—	—
Other	166,780	38,714	12,394	193,100
Total liabilities	<u>\$166,780</u>	<u>\$ 38,714</u>	<u>\$ 12,394</u>	<u>\$193,100</u>
School and College District Fund				
ASSETS				
Deposits and investments	\$131,818	\$ 850,505	\$ 849,683	\$132,640
Interest and other receivables	3,092	7,249	7,676	2,665
Due from other funds	193	13,983	14,100	76
Deferred charges and other assets	850	—	85	765
Total assets	<u>\$135,953</u>	<u>\$ 871,737</u>	<u>\$ 871,544</u>	<u>\$136,146</u>
LIABILITIES				
Accounts payable	\$ 7,790	\$ 29,465	\$ 21,945	\$ 15,310
Due to other funds	2,924	14,813	16,935	802
Agency obligations:				
School and College Districts	125,239	997,684	1,002,889	120,034
Other liabilities	—	—	—	—
Other	—	—	—	—
Total liabilities	<u>\$135,953</u>	<u>\$1,041,962</u>	<u>\$1,041,769</u>	<u>\$136,146</u>

(Continued)

CITY AND COUNTY OF SAN FRANCISCO

AGENCY FUNDS

Combining Statement of Changes in Assets and Liabilities—(Continued)

Year ended June 30, 1992

(In Thousands)

	Balance June 30, 1991	Additions	Deductions	Balance June 30, 1992
Construction Deposits Fund				
ASSETS				
Deposits and investments	\$ 116	\$ —	\$ —	\$ 116
Investments with trustee	57,831	6,710	41,841	22,700
Interest and other receivables	—	—	—	—
Due from other funds	—	—	—	—
Deferred charges and other assets	—	—	—	—
Total assets	<u>\$57,947</u>	<u>\$ 6,710</u>	<u>\$41,841</u>	<u>\$22,816</u>
LIABILITIES				
Accounts payable	\$ 4	\$ —	\$ —	\$ 4
Due to other funds	55,254	6,710	41,258	20,706
Agency obligations:				
School and College Districts	—	—	—	—
Other liabilities	—	—	—	—
Other	<u>2,689</u>	<u>—</u>	<u>583</u>	<u>2,106</u>
Total liabilities	<u>\$57,947</u>	<u>\$ 6,710</u>	<u>\$41,841</u>	<u>\$22,816</u>
Other Agency Funds				
ASSETS				
Deposits and investments	\$ 6,674	\$12,727	\$13,416	\$ 5,985
Interest and other receivables	445	250	—	695
Due from other funds	25	950	26	949
Deferred charges and other assets	—	—	—	—
Total assets	<u>\$ 7,144</u>	<u>\$13,927</u>	<u>\$13,442</u>	<u>\$ 7,629</u>
LIABILITIES				
Accounts payable	\$ 68	\$ 3,292	\$ 3,211	\$ 149
Due to other funds	450	605	4	1,051
Agency obligations:				
School and College Districts	—	—	—	—
Other liabilities	6,275	12,923	13,120	6,078
Other	<u>351</u>	<u>—</u>	<u>—</u>	<u>351</u>
Total liabilities	<u>\$ 7,144</u>	<u>\$16,820</u>	<u>\$16,335</u>	<u>\$ 7,629</u>

(Continued)

CITY AND COUNTY OF SAN FRANCISCO

AGENCY FUNDS

Combining Statement of Changes in Assets and Liabilities—(Continued)

Year ended June 30, 1992

(In Thousands)

	Balance June 30, 1991	Additions	Deductions	Balance June 30, 1992
Total Agency Funds				
ASSETS				
Deposits and investments.....	\$190,847	\$2,164,298	\$2,160,921	\$194,224
Investments with trustee.....	224,611	45,424	54,235	215,800
Interest and other receivables.....	78,636	724,423	714,092	88,967
Due from other funds.....	2,558	15,066	16,465	1,159
Deferred charges and other assets.....	1,355	16	330	1,041
Total assets.....	<u>\$498,007</u>	<u>\$2,949,227</u>	<u>\$2,946,043</u>	<u>\$501,191</u>
LIABILITIES				
Accounts payable.....	\$ 22,104	\$ 104,641	\$ 95,538	\$ 31,207
Due to other funds.....	64,472	23,666	64,042	24,096
Agency obligations:				
School and College Districts.....	125,239	997,684	1,002,889	120,034
Other liabilities.....	116,372	1,401,683	1,387,758	130,297
Other.....	169,820	38,714	12,977	195,557
Total liabilities.....	<u>\$498,007</u>	<u>\$2,566,388</u>	<u>\$2,563,204</u>	<u>\$501,191</u>

CITY AND COUNTY OF SAN FRANCISCO

AGENCY FUNDS

Schedule of Changes in Assets and Liabilities—
Individual Fund Grouping

Year ended June 30, 1992

(In Thousands)

	Assets			Liabilities		
	Balance June 30, 1991	Additions	Deductions	Balance June 30, 1991	Additions	Deductions
Other Agency Funds:						
Recreation and Park—Open Space . . .	\$4,444	\$ —	\$ —	\$4,444	\$ —	\$ —
Victims—Crimes of Violence	5	56	55	5	112	111
Street Improvement—1934						
Ordinance	—	1	1	—	1	1
Redevelopment Agency	20	8,255	7,909	20	8,255	7,909
State Sales Tax	3	110	106	3	198	194
State Penalties—Vehicle Code 42050 . . .	16	183	183	16	364	364
State Consumers' Use Tax	161	476	528	161	524	576
Tuolumne Occupancy Tax	—	42	35	—	49	42
Recreation/Park State Sales Tax	5	—	—	5	—	—
State—County Clerk	62	43	36	62	90	83
Bay Area Air Quality District	13	1,136	1,147	2	1,132	1,143
Trial Court Funding	—	215	192	23	406	383
State Marriage License Fees	1	9	9	1	17	17
State Marriage License Copy Fees	4	52	51	4	100	99
State Hazardous Materials Fees	8	12	12	8	24	24
Death/Birth Certificates	110	264	276	98	110	280
Business Tax Suspense	1,224	1,546	2,531	239	1,224	5,097
Abandoned Properties	13	—	—	13	—	—
Developers' Performance Bonds	609	900	121	1,388	609	779
Red Cross Earthquake Relief	—	627	250	377	—	377
San Francisco Loan Funds	446	—	—	446	—	—
Total	<u>\$7,144</u>	<u>\$13,927</u>	<u>\$13,442</u>	<u>\$7,629</u>	<u>\$16,820</u>	<u>\$16,335</u>

CITY AND COUNTY OF SAN FRANCISCO
GENERAL FIXED ASSETS ACCOUNT GROUP

Accounts for recorded fixed assets other than those accounted for in the proprietary type funds.

The City does not include infrastructure in its General Fixed Assets Account Group. Examples of infrastructure are roads, curbs and gutters, streets and sidewalks and similar assets that are immovable and of value only to the City.

General Fixed Assets are not depreciated.

CITY AND COUNTY OF SAN FRANCISCO
SCHEDULE OF GENERAL FIXED ASSETS BY FUNCTION AND TYPE

June 30, 1992

(In Thousands)

<u>Function</u>	<u>Land</u>	<u>Facilities and Improvements</u>	<u>Machinery and Equipment</u>	<u>Construction in Progress</u>	<u>Property Held for Lease</u>	<u>Total</u>
Public protection	\$ 5,933	\$109,733	\$ 53,609	\$ 56,056	\$ —	\$ 225,331
Public works, transportation and commerce	10,185	40,768	18,748	4,680	—	74,381
Human welfare and neighborhood development	190	23,574	7,211	3,051	30,401	64,427
Community health	413	11,049	11,655	3,165	—	26,282
Culture and recreation	47,077	645,087	42,004	77,781	—	811,949
General administration and finance	17,154	52,579	46,978	8,416	—	125,127
Total general fixed assets	<u>\$80,952</u>	<u>\$882,790</u>	<u>\$180,205</u>	<u>\$153,149</u>	<u>\$30,401</u>	<u>\$1,327,497</u>

SCHEDULE OF FUNDING SOURCES FOR GENERAL FIXED ASSETS

June 30, 1992

(In Thousands)

General investments in fixed assets acquired prior to July 1, 1987	\$ 742,421
Source of funding for general fixed assets acquired from July 1, 1987 through June 30, 1992	
General Fund revenues	115,252
Special Revenue Funds revenues	99,701
General obligation bond proceeds	100,930
Certificate of participation proceeds	11,697
Lease revenue bond proceeds	197,839
Federal and state grants	14,315
Redevelopment agency funds	18,768
Other	<u>24,574</u>
Total general fixed assets	<u>\$1,327,497</u>

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CITY AND COUNTY OF SAN FRANCISCO
GENERAL REVENUES BY SOURCE(1)

Last Ten Fiscal Years

(In Thousands)

<u>Fiscal Year</u>	<u>Property Taxes</u>	<u>Business Taxes</u>	<u>Other Local Taxes</u>	<u>Grants and Subventions</u>	<u>Licenses, Fines and Penalties</u>	<u>Interest and Investment Earnings</u>	<u>Charges for Services</u>	<u>Other</u>	<u>Total</u>
1983	\$229,701	\$ 99,255	\$140,451	\$297,809	\$29,778	\$49,364	\$93,991	\$10,125	\$ 950,474
% of Total	24.2	10.4	14.8	31.3	3.1	5.2	9.9	1.1	100.0
% Change	—	—	—	—	—	—	—	—	—
1984	245,140	98,844	149,984	268,717	30,783	44,322	66,451(3)	8,453	912,694
% of Total	26.9	10.8	16.4	29.4	3.4	4.9	7.3	0.9	100.0
% Change	6.7	(0.4)	6.8	(9.8)	3.4	(10.2)	(29.3)	(16.5)	(4.0)
1985	285,460	94,986	168,830	291,753	29,372	37,006	71,714	6,027	985,148
% of Total	29.0	9.6	17.1	29.6	3.0	3.8	7.3	0.6	100.0
% Change	16.4	(3.9)	12.6	8.6	(4.6)	(16.5)	7.9	(28.7)	7.9
1986	328,475	111,631	185,308	311,173	36,879	37,083	79,218	6,869	1,096,636
% of Total	30.0	10.2	16.9	28.4	3.4	3.4	7.2	0.5	100.0
% Change	15.1	17.5	9.8	6.7	25.6	0.2	10.5	14.0	11.3
1987	352,562	113,082	200,773	301,114	39,414	28,966	94,719	9,371	1,140,001
% of Total	30.9	9.9	17.6	26.4	3.5	2.5	8.3	0.9	100.0
% Change	7.3	1.3	8.3	(3.2)	6.9	(21.9)	19.6	36.4	4.0
1988	382,194	120,055	218,697	347,989	45,267	25,748	78,606	11,402	1,229,958
% of Total	31.1	9.7	17.8	28.3	3.7	2.1	6.4	0.9	100.0
% Change	8.4	6.2	8.9	15.6	14.9	(11.1)	(17.0)	21.7	7.9
1989	410,125	142,713	229,846	362,908	50,527	30,410	81,518	13,886	1,321,933
% of Total	31.0	10.8	17.4	27.4	3.8	2.3	6.2	1.1	100.0
% Change	7.3	18.9	5.1	4.3	11.6	18.1	3.7	21.8	7.5
1990	457,867	152,265	228,964	443,821	50,296	31,714	90,956	12,795	1,468,678
% of Total	31.1	10.4	15.6	30.2	3.4	2.2	6.2	0.9	100.0
% Change	11.6	6.7	(0.4)	22.3	(0.5)	4.3	11.6	(7.9)	11.1
1991	483,887	156,771	272,577	450,405	50,222	31,534	92,904	17,245	1,555,545
% of Total	31.1	10.1	17.5	29.0	3.2	2.0	6.0	1.1	100.0
% Change	5.7	3.0	19.0	1.5	(0.1)	(0.6)	2.1	34.8	5.9
1992	517,312	142,458	272,548	540,639	56,377	30,177	96,551	14,375	1,670,437
% of Total	31.0	8.5	16.3	32.3	3.4	1.8	5.8	0.9	100.0
% Change	6.9	(9.1)	—	20.0	12.3	(4.3)	3.9	(16.6)	7.4

(Notes on following page)

CITY AND COUNTY OF SAN FRANCISCO
GENERAL REVENUES BY SOURCE—CONSTANT DOLLAR VALUE (1) (2) (3)

Last Ten Fiscal Years

(In Thousands)

Fiscal Year	Property Taxes	Business Taxes	Other Local Taxes	Grants and Subventions	Licenses, Fines and Penalties	Interest and Investment Earnings	Charges for Services	Other	Total
1983	\$229,701	\$ 99,255	\$140,451	\$297,809	\$29,778	\$49,364	\$93,991	\$10,125	\$950,474
% of Total	24.2	10.4	14.8	31.3	3.1	5.2	9.9	1.1	100.0
% Change	—	—	—	—	—	—	—	—	—
1984	231,879	93,497	141,870	254,180	29,118	41,924	62,856	7,996	863,320
% of Total	26.9	10.8	16.4	29.4	3.4	4.9	7.3	0.9	100.0
% Change	0.9	(5.8)	1.0	(14.6)	(2.2)	(15.1)	(33.1)	(21.0)	(9.2)
1985	259,159	86,234	153,275	264,872	26,666	33,596	65,106	5,472	894,380
% of Total	29.0	9.6	17.1	29.6	3.0	3.8	7.3	0.6	100.0
% Change	11.8	(7.8)	8.0	4.2	(8.4)	(19.9)	3.6	(31.6)	3.6
1986	288,848	98,164	162,953	273,633	32,430	32,609	69,661	6,040	964,338
% of Total	30.0	10.2	16.9	28.4	3.4	3.4	7.2	0.5	100.0
% Change	11.5	13.8	6.3	3.3	21.6	(2.9)	7.0	10.4	7.8
1987	304,193	97,568	173,228	259,803	34,007	24,992	81,724	8,085	883,600
% of Total	30.9	9.9	17.6	26.4	3.5	2.5	8.3	0.9	100.0
% Change	5.3	(0.6)	6.3	(5.1)	4.9	(23.4)	17.3	33.9	2.0
1988	319,198	100,267	182,650	290,831	37,806	21,504	65,650	9,523	1,027,228
% of Total	31.1	9.7	17.8	28.3	3.7	2.1	6.4	0.9	100.0
% Change	4.9	2.8	5.4	11.9	11.2	(14.0)	(19.7)	17.8	4.4
1989	326,309	113,547	182,873	288,742	40,201	24,195	64,858	11,048	1,051,773
% of Total	31.0	10.8	17.4	27.4	3.8	2.3	6.2	1.1	100.0
% Change	2.2	13.2	0.1	(0.6)	6.3	12.5	(1.2)	16.0	2.4
1990	349,848	116,343	174,947	339,116	38,430	24,232	69,498	9,776	1,122,90
% of Total	31.1	10.4	15.6	30.2	3.4	2.2	6.2	0.9	100.0
% Change	7.2	2.5	(4.3)	17.4	(4.4)	0.2	7.2	(11.5)	6.7
1991	352,119	114,080	198,351	327,754	36,546	22,947	67,605	12,549	1,131,951
% of Total	31.1	10.1	17.5	29.0	3.2	2.0	6.0	1.1	100.0
% Change	0.6	(1.9)	13.4	(3.4)	(4.9)	(5.3)	(2.7)	28.4	0.9
1992	362,490	99,823	190,979	378,836	39,504	21,146	67,655	10,073	1,170,506
% of Total	31.0	8.5	16.3	32.3	3.4	1.8	5.8	0.9	100.0
% Change	2.9	(12.5)	(3.7)	15.6	8.1	(7.8)	0.1	(19.7)	3.4

Notes:

- (1) Includes General, Special Revenue and Debt Service Funds.
- (2) Reflects separation of Laguna Honda as an enterprise starting FY 1983-84.
- (3) The information for the years 1984 through 1992 has been adjusted to the 1983 value of the dollar, using the average Consumer Price Index-Urban for each year. This information has been provided for informational purposes as an indication of the true changes in the City's revenues since 1983.

CITY AND COUNTY OF SAN FRANCISCO
GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION(1)

Last Ten Fiscal Years

(In Thousands)

Fiscal Year	Public Protection	Public Works, Transportation and Commerce	Human Welfare and Neighborhood Development	Community Health	Culture and Recreation	General Administration and Finance	Debt Service	Total
1983	\$294,008	\$44,721	\$192,111	\$113,128	\$67,901	\$ 85,152	\$23,198	\$ 820,219
% of Total	35.8	5.5	23.4	13.8	8.3	10.4	2.8	100.0
% Change	—	—	—	—	—	—	—	—
1984	335,207	51,828	193,345	82,426 (2)	72,906	71,581	26,619	833,912
% of Total	40.2	6.2	23.2	9.9	8.7	8.6	3.2	100.0
% Change	14.0	15.9	0.6	(27.1)	7.4	(15.9)	14.7	1.7
1985	367,456	56,391	205,811	99,690	80,529	104,600	25,905	940,382
% of Total	39.1	6.0	21.9	10.6	8.6	11.1	2.7	100.0
% Change	9.6	8.8	6.4	20.9	10.5	46.1	(2.7)	12.8
1986	383,514	57,442	211,912	112,660	86,467	83,245	26,208	961,448
% of Total	39.9	6.0	22.0	11.7	9.0	8.7	2.7	100.0
% Change	4.4	1.9	3.0	13.0	7.4	(20.4)	1.2	2.2
1987	408,352	65,308	228,635	122,200	95,933	114,781	25,106	1,060,315
% of Total	38.5	6.2	21.6	11.5	9.0	10.8	2.4	100.0
% Change	6.5	13.7	7.9	8.5	10.9	37.9	(4.2)	10.3
1988	419,009	66,424	235,127	132,505	100,510	125,115	31,301	1,109,991
% of Total	37.7	6.0	21.2	11.9	9.1	11.3	2.8	100.0
% Change	2.6	1.7	2.8	8.4	4.8	9.0	24.7	4.7
1989	422,096	62,832	245,917	136,800	101,416	134,375	32,441	1,135,877
% of Total	37.3	5.5	21.6	12.0	8.9	11.8	2.9	100.0
% Change	0.7	(5.4)	4.6	3.2	0.9	7.4	3.6	2.3
1990	451,575	75,645	275,066	163,771	116,972	128,562	51,405	1,262,996
% of Total	35.7	6.0	21.7	13.0	9.3	10.2	4.1	100.0
% Change	7.0	20.4	11.9	19.7	15.3	(4.3)	56.5	11.2
1991	472,915	82,905	304,817	194,786	120,338	147,460	66,983	1,392,204
% of Total	34.0	6.0	21.9	14.0	8.6	10.6	4.9	100.0
% Change	4.7	9.6	10.8	18.9	2.9	14.7	34.2	10.2
1992	455,007	96,931	316,645	232,352	115,369	154,389	64,827	1,435,520
% of Total	31.7	6.7	22.1	16.2	8.0	10.8	4.5	100.0
% Change	(3.8)	11.5	3.9	19.3	(4.1)	4.7	(6.0)	3.1

(Notes on following page)

CITY AND COUNTY OF SAN FRANCISCO
GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION—
CONSTANT DOLLAR VALUE(1)(3)

Last Ten Fiscal Years

(In Thousands)

<u>Fiscal Year</u>	<u>Public Protection</u>	<u>Public Works, Transportation and Commerce</u>	<u>Human Welfare and Neighborhood Development</u>	<u>Community Health</u>	<u>Culture and Recreation</u>	<u>General Administration and Finance</u>	<u>Debt Service</u>	<u>Total</u>
1983	\$294,008	\$44,721	\$192,111	\$113,128	\$67,901	\$85,152	\$23,198	\$ 820,219
% of Total	35.8	5.5	23.4	13.8	8.3	10.4	2.8	100.0
% Change	—	—	—	—	—	—	—	—
1984	317,074	49,024	182,886	77,967	68,962	67,709	25,179	788,801
% of Total	40.2	6.2	23.2	9.9	8.7	8.6	3.2	100.0
% Change	7.8	9.6	(4.8)	(31.1)	1.6	(20.5)	8.5	(3.8)
1985	333,600	51,195	186,848	90,505(2)	73,109	94,962	23,518	853,737
% of Total	39.1	6.0	21.9	10.6	8.6	11.1	2.7	100.0
% Change	5.2	4.4	2.2	16.1	6.0	40.3	(6.6)	8.2
1986	337,247	50,512	186,347	99,069	76,036	73,202	23,046	845,459
% of Total	39.9	6.0	22.0	11.7	9.0	8.7	2.7	100.0
% Change	1.1	(1.3)	(0.3)	9.5	4.0	(22.9)	(2.0)	(1.0)
1987	352,329	56,348	197,268	105,435	82,772	99,034	21,662	914,848
% of Total	38.5	6.2	21.6	11.5	9.0	10.8	2.4	100.0
% Change	4.5	11.6	5.9	6.4	8.9	35.3	(6.0)	8.2
1988	349,945	55,476	196,372	110,665	83,943	104,493	26,142	927,036
% of Total	37.7	6.0	21.2	11.9	9.1	11.3	2.8	100.0
% Change	(0.7)	(1.5)	(0.5)	5.0	1.4	5.5	20.7	1.3
1989	335,834	49,991	195,660	108,843	80,690	106,913	25,811	903,742
% of Total	37.3	5.5	21.6	12.0	8.9	11.8	2.9	100.0
% Change	(4.0)	(9.9)	(0.4)	(1.6)	(3.9)	2.3	(1.3)	(2.5)
1990	345,040	57,799	210,173	125,134	89,376	98,232	39,278	965,032
% of Total	35.7	6.0	21.7	13.0	9.3	10.2	4.1	100.0
% Change	2.7	15.6	7.4	15.0	10.8	(8.1)	52.2	6.8
1991	344,135	60,329	221,812	141,743	87,569	107,305	50,198	1,013,091
% of Total	34.0	6.0	21.9	14.0	8.6	10.6	4.9	100.0
% Change	(0.3)	4.4	5.5	13.3	(2.0)	9.2	27.8	5.0
1992	318,832	67,921	221,879	162,813	80,841	108,183	45,425	1,005,894
% of Total	31.7	6.7	22.1	16.2	8.0	10.8	4.5	100.0
% Change	(7.4)	7.4	—	14.9	(7.7)	0.8	(9.5)	(1.0)

Notes:

- (1) Includes General, Special Revenue and Debt Service Funds.
- (2) Reflects separation of Laguna Honda Hospital as an enterprise starting FY 1983-84.
- (3) The information for the years 1984 through 1992 has been adjusted to the 1983 value of the dollar, using the average Consumer Price Index-Urban for each year. This information has been provided for information purposes as an indication of the true changes in the expenditure level of the City since 1983.

CITY AND COUNTY OF SAN FRANCISCO
PROPERTY TAX LEVIES AND COLLECTIONS (1) (2)

Last Ten Fiscal Years

(In Thousands)

<u>Fiscal Year</u>	<u>Total Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percent of Levy Collections</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>	<u>Percent of Total Tax Collections to Tax Levy</u>	<u>Outstanding Delinquent Taxes</u>	<u>Percent of Delinquent Taxes to Tax Levy</u>
1983	266,815	255,142	95.6	7,251	262,393	98.3	30,507	11.4%
1984	296,305	285,051	96.2	8,085	293,136	98.9	33,670	11.4
1985	329,422	318,195	96.6	6,895	325,090	98.7	34,190	10.4
1986	367,832	354,105	96.3	9,865	363,970	99.0	34,767	9.4
1987	395,861	383,661	96.9	9,051	392,712	99.2	32,019	8.1
1988	427,227	414,407	97.0	10,084	424,491	99.4	34,755	8.1
1989	460,380	445,445	96.8	10,015	455,460	98.9	35,291	7.7
1990	504,770	485,106	96.1	12,233	497,339	98.5	40,573	8.0
1991	545,807	525,131	96.2	13,419	538,550	98.7	47,070	8.6
1992	<u>595,403</u>	<u>565,295</u>	<u>94.9</u>	<u>18,011</u>	<u>583,306</u>	<u>98.0</u>	<u>57,543</u>	<u>9.7</u>

Notes:

- (1) Includes San Francisco Unified School District, San Francisco Community College District, Bay Area Rapid Transit District, Bay Area Air Quality Management District and San Francisco Redevelopment Agency.
- (2) Does not include SB-813 supplemental property taxes which started in FY 1983-84.

CITY AND COUNTY OF SAN FRANCISCO
ASSESSED VALUE OF TAXABLE PROPERTY(1)
Last Ten Fiscal Years
(In Thousands)

Fiscal Year	Assessed Value			Exclusions(2)			Assessed Values Less Exclusions	Net Increase	
	Real Property	Personal Property	Total	Non-Reimbursable	Reimbursable	Redevelopment Tax Increments		Amount	Percentage
1983	\$22,927,325	\$1,389,202	\$24,316,527	\$ 892,145	\$675,386	—	\$22,748,996	\$3,106,969	15.8%
1984	25,860,965	1,465,453	27,326,418	1,033,477	673,139	\$ 162,031	25,457,771	2,708,775	11.9
1985	29,016,181	1,565,417	30,581,598	1,099,514	672,723	225,065	28,594,296	3,126,525	12.3
1986	31,970,466	1,660,966	33,631,432	1,076,052	675,954	364,195	31,515,231	2,930,935	10.3
1987	35,494,479	2,073,048	37,567,527	1,128,424	678,295	545,121	35,215,687	3,700,456	11.7
1988	38,223,024	2,706,877	40,929,901	1,278,326	679,707	1,086,489	37,885,379	2,669,692	7.6
1989	41,471,587	2,974,647	44,446,234	1,284,280	678,845	1,196,806	41,286,303	3,400,924	9.0
1990	45,535,945	2,577,612	48,113,557	1,312,989	673,206	1,212,645	44,914,717	3,628,414	8.8
1991	49,494,829	2,960,356	52,455,185	1,407,351	688,768	1,273,448	49,085,618	4,170,901	9.3
1992	52,325,521	2,909,502	55,235,023	1,481,317	693,936	1,339,520	51,720,250	2,634,632	5.4

Notes:

- (1) Assessed value (full cash value) of taxable property represents all property within the City. The maximum tax rate is 1% of the full cash value or \$1/\$100 of the assessed value, excluding the tax rate for debt service.
- (2) Exclusions are summarized as follows:
 - a) Non-reimbursable exemptions are revenues lost to City because of provisions of California Constitution, Article XIII(3).
 - b) Reimbursable exemptions arise from Article XIII(25) which reimburses local governments for revenues lost through the homeowners' exemption in Article XIII(3)(k).
 - c) Tax increments are allocations made to the San Francisco Redevelopment Agency under authority of California Constitution, Article XVI. Actual allocations are limited under an indebtedness agreement between the City and the Redevelopment Agency.

CITY AND COUNTY OF SAN FRANCISCO
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
Last Ten Fiscal Years

Fiscal Year	City and County of San Francisco				San Francisco Unified School District	San Francisco Community College District	Bay Area Air Quality Management District	Bay Area Rapid Transit District	Total
	General Fund	Special Revenue Fund	Debt Service Funds	Total					
1983	.87515654	.025000	.09881451	.99897105	.08537406	.01444422	.00208539	.06912528	1.1700
1984	.87515654	.025000	.08041369	.98057023	.08487488	.01444422	.00208539	.06802528	1.1500
1985	.87515654	.025000	.07550000	.97565654	.08428859	.01444422	.00208539	.06352528	1.1400
1986	.87515654	.025000	.08260370	.98276024	.08358487	.01444422	.00208539	.05712528	1.1400
1987	.87515654	.025000	.06199807	.96215461	.08289050	.01444422	.00208539	.04842528	1.1100
1988	.87515654	.025000	.05541626	.95557280	.08257231	.01444422	.00208539	.04532528	1.1000
1989	.87515654	.025000	.04763229	.94778883	.08215628	.01444422	.00208539	.04352528	1.0900
1990	.87515654	.025000	.05343897	.95359551	.08164960	.01444422	.00208539	.03822528	1.0900
1991	.87515654	.025000	.06063587	.96079241	.08135270	.01444422	.00208539	.03132528	1.0900
1992	.87515654	.025000	.09174070	.99189724	.08114787	.01444422	.00208539	.03142528	1.1210

CITY AND COUNTY OF SAN FRANCISCO
RATIO OF NET GENERAL BONDED DEBT TO
FULL CASH VALUE AND NET BONDED DEBT PER CAPITA
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Full Cash Value (2) (3)</u>	<u>Gross Bonded Debt (2) (4)</u>	<u>Debt Service Monies Available (2)</u>	<u>Debt Payable from Enterprise Revenue (2)</u>	<u>Net General Bonded Debt (2)</u>	<u>Ratio of Net General Bonded Debt to Full Cash Value</u>	<u>Net General Bonded Debt Per Capita</u>
1983	705,652	\$23,424,382	\$ 738,678	\$ 44,024	\$574,394	\$120,260	.51%	\$170.42
1984	706,924	26,130,910	796,330	75,129	618,511	102,690	.39	145.26
1985	719,154	29,482,084	885,356	92,089	707,662	85,605	.29	119.04
1986	741,568	32,191,185	1,000,545	103,689	826,981	69,875	.22	94.23
1987	742,681	35,893,982	962,550	101,092	761,468	99,990	.28	134.63
1988	741,250	38,565,086	959,702	93,479	751,543	114,680	.30	154.71
1989	731,693	41,965,148	1,170,817	90,668	877,537	202,612	.48	276.91
1990	726,962	45,587,923	1,241,588	99,176	924,648	217,764	.48	299.55
1991	726,710	49,774,386	1,462,569	226,679	845,598	390,292	.78	537.07
1992	728,730	52,414,185	1,860,214	296,214	1,035,811	528,140	1.01	724.74

Notes:

- (1) Source—State of California, Department of Finance.
- (2) In thousands.
- (3) Includes all taxable property within the City and County of San Francisco, less properties subject to non-reimbursable exemptions and Redevelopment tax increments.
- (4) Excludes San Francisco Redevelopment Agency revenue bonds and nonprofit corporation obligations. Amounts are exclusive of bond discount or premium.

**CITY AND COUNTY OF SAN FRANCISCO
COMPUTATION OF LEGAL DEBT MARGIN**

June 30, 1992

(In Thousands)

Total full cash value		\$55,235,023
Less: Non-reimbursable exemptions and Redevelopment tax increments		<u>2,820,838</u>
Basis of levy		<u>\$52,414,185</u>
Debt limit—3 percent of valuation subject to taxation		\$ 1,572,426
Amount of debt applicable to debt limit	\$528,475	
Less: Net assets in General Obligation Bonds Fund	<u>335</u>	
Net general bonded debt	528,140	
Other deductions allowed by law (1):		
Bonded indebtedness—Water/Hetch Hetchy and		
Clean Water Program	<u>37,840</u>	
Total amount of debt applicable to debt limit		<u>490,300</u>
Legal debt margin		<u>\$ 1,082,126</u>

Note:

(1) Charter Section 6.401 Limitations on Bonded Indebtedness.

“(a) . . . Bonded indebtedness heretofore or hereafter created for water supply, storage or distribution purposes . . . shall be exclusive of the limitations on the amount of bonded indebtedness of the City and County . . .”.

CITY AND COUNTY OF SAN FRANCISCO
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
June 30, 1992

<u>Jurisdiction</u>	<u>Total General Debt Outstanding</u>	<u>Percent Applicable to City and County of San Francisco</u>	<u>Amount Applicable to City and County of San Francisco</u>
City and County of San Francisco	\$528,475,000	100.00%	\$528,475,000
Bay Area Rapid Transit District	280,425,000	30.58%	85,753,965
Total			<u>\$614,228,965</u>
Population—1992			728,730
Per Capita Direct and Overlapping Debt			<u>\$ 842.88</u>

**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR
GENERAL BONDED DEBT TO TOTAL GENERAL EXPENDITURES (1) (2)**

Last Ten Fiscal Years

(In Thousands)

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Total General Expenditures</u>	<u>Ratio of Debt Service to Total General Expenditures</u>
1983	\$16,751	\$ 5,758	\$22,509	\$ 820,219	2.7%
1984	17,570	6,268	23,838	833,912	2.8
1985	17,085	5,361	22,446	940,382	2.4
1986	18,235	5,616	23,851	961,448	2.5
1987	18,200	6,395	24,595	1,060,315	2.3
1988	16,340	6,682	23,022	1,109,991	2.1
1989	10,720	9,454	20,174	1,135,877	1.8
1990	14,240	13,231	27,471	1,262,996	2.2
1991	13,635	14,521	28,156	1,392,204	2.0
1992	16,965	27,440	44,405	1,435,520	3.1

Notes:

- (1) Includes General, Special Revenue and Debt Service Funds.
- (2) Includes General Obligation Bonds of Water Department/Hetch Hetchy Project and Clean Water Program as explained in notes 5 and 9(c) and (g) to the combined financial statements.

CITY AND COUNTY OF SAN FRANCISCO
DEBT SERVICE COVERAGE BY ENTERPRISE REVENUES
AIRPORT, PORT, CLEAN WATER (1), MUNICIPAL RAILWAY AND
WATER/HETCH HETCHY

Last Ten Fiscal Years

(In Thousands)

<u>Fiscal Year</u>	<u>Gross Revenue (3)</u>	<u>Direct Operating Expenses (4)</u>	<u>Net Revenue Available for Debt Service</u>	<u>Debt Services Requirements (2)</u>			<u>Debt Service Coverage</u>
				<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
1983.....	\$348,560	\$243,929	\$104,631	\$22,594	\$34,792	\$ 57,386	\$1.82
1984.....	366,503	281,649	84,854	26,934	48,406	75,340	1.13
1985.....	427,052	336,203	90,849	22,820	51,251	74,071	1.23
1986.....	657,821	532,396	125,425	19,605	66,226	85,831	1.46
1987.....	637,996	536,979	101,017	19,910	64,167	84,077	1.20
1988.....	704,592	570,880	133,712	19,625	63,093	82,718	1.62
1989.....	653,404	526,924	126,480	20,165	67,005	87,170	1.45
1990.....	670,816	543,804	127,012	26,829	74,280	101,109	1.26
1991.....	739,147	601,318	137,829	27,355	79,887	107,242	1.29
1992.....	793,249	606,607	186,642	31,130	81,892	113,022	1.65

Notes:

- (1) In FY 1989-90 and FY 1990-91 operating transfers of \$4.6 million and \$4.6 million, respectively, were made from property tax revenues in the Debt Service Fund to supplement a customer rate increase, to provide for general obligation debt service of the enterprise fund. A similar transfer for \$4.6 million was made in FY 1991-92.
- (2) Covers general obligation and revenue bonds for all indicated enterprise funds. Water Department/Hetch Hetchy Project general obligations bonds are excluded as explained in note 5 and 9(c) to combined financial statements. Similarly, Clean Water Program general obligation bonds are excluded since FY 1985-86 as explained in note 9(g) to combined financial statements.
- (3) Gross revenue includes operating revenues, non-operating revenues and operating transfers in except transfers directly committed to repayment of general obligation debt service.
- (4) Direct operating expenses include operating expenses (except depreciation), non-operating expenses (except interest expense) and operating transfers out.

CITY AND COUNTY OF SAN FRANCISCO

DEMOGRAPHIC STATISTICS

Last Ten Fiscal Years

Year	Population (1)	Per Capita Income (2)	Median Age (2)	Public School Enrollment (3)	Unemployment Rate (4)
1983	705,652	\$12,883	34.9	61,090	9.2%
1984	706,928	13,077	34.9	61,433	7.8
1985	719,154	14,321	35.0	67,399	6.4
1986	741,568	15,945	35.2	68,803	5.7
1987	742,681	17,311	35.5	69,169	5.1
1988	741,250	18,806	35.8	68,540	4.4
1989	731,693	18,409	36.1	67,132	4.2
1990	726,962	20,158	36.4	66,589	3.9
1991	726,710	20,870	36.0	66,368	4.7
1992	<u>728,730</u>	<u>20,069</u>	<u>36.2</u>	<u>66,589</u>	<u>6.1</u>

- Sources: (1) State Department of Finance
 (2) Sales and Marketing Management—1992 Survey of Buying Power
 (3) San Francisco Unified School District (includes Child Center, Juvenile Court School, etc.)
 (4) State Department of Employment Development

CONSTRUCTION, BANK DEPOSITS AND PROPERTY VALUE

Last Ten Fiscal Years

Year Ended	Authorized New Dwelling Units	Value of Building Permits (1)		Bank Deposits (1) (4)	Real Property Values (1) (2)		
		Residential	Nonresidential		Residential	Nonresidential	Nontaxable
1983	1,167 (3)	\$ 175,188 (3)	\$ 825,476 (3)	\$2,801,189	\$12,217,054	\$10,710,271	\$ 892,145
1984	1,313 (3)	188,297 (3)	674,381 (3)	26,760,998	12,945,768	11,935,383	979,814
1985	1,096 (5)	228,114 (5)	522,011 (5)	24,222,093	15,235,325	12,236,232	1,099,514
1986	1,427 (5)	306,217 (5)	731,048 (5)	35,229,579 (6)	16,501,324	13,899,210	1,100,000
1987	2,565 (5)	420,842 (5)	442,256 (5)	32,576,614 (6)	18,111,261	15,319,912	1,285,585
1988	2,439 (5)	348,821 (5)	593,005 (5)	35,227,013 (6)	19,835,823	16,704,566	1,329,366
1989	1,924 (5)	364,253 (5)	429,971 (5)	34,916,971 (6)	23,478,469	22,162,707	1,315,761
1990	1,013 (5)	295,998 (5)	523,083 (5)	35,410,949 (6)	25,878,511	23,845,436	1,369,596
1991	836 (5)	282,766 (5)	486,170 (5)	36,491,170 (6)	27,270,084	22,653,997	1,455,699
1992	<u>1,037 (5)</u>	<u>260,061 (5)</u>	<u>493,894 (5)</u>	<u>N/A</u>	<u>28,429,764</u>	<u>22,758,379</u>	<u>1,423,645</u>

N/A—Not available.

Note: (1) In thousands.

Source: (2) Assessor, City and County of San Francisco (excludes State Board Roll).

(3) Security Pacific National Bank, Economic Research Division (calendar year basis).

(4) State Banking Department.

(5) Department of Public Works—Central Permit Bureau, City and County of San Francisco (fiscal year basis).

(6) Includes savings and loan deposits.

CITY AND COUNTY OF SAN FRANCISCO

PRINCIPAL TAXPAYERS

June 30, 1992

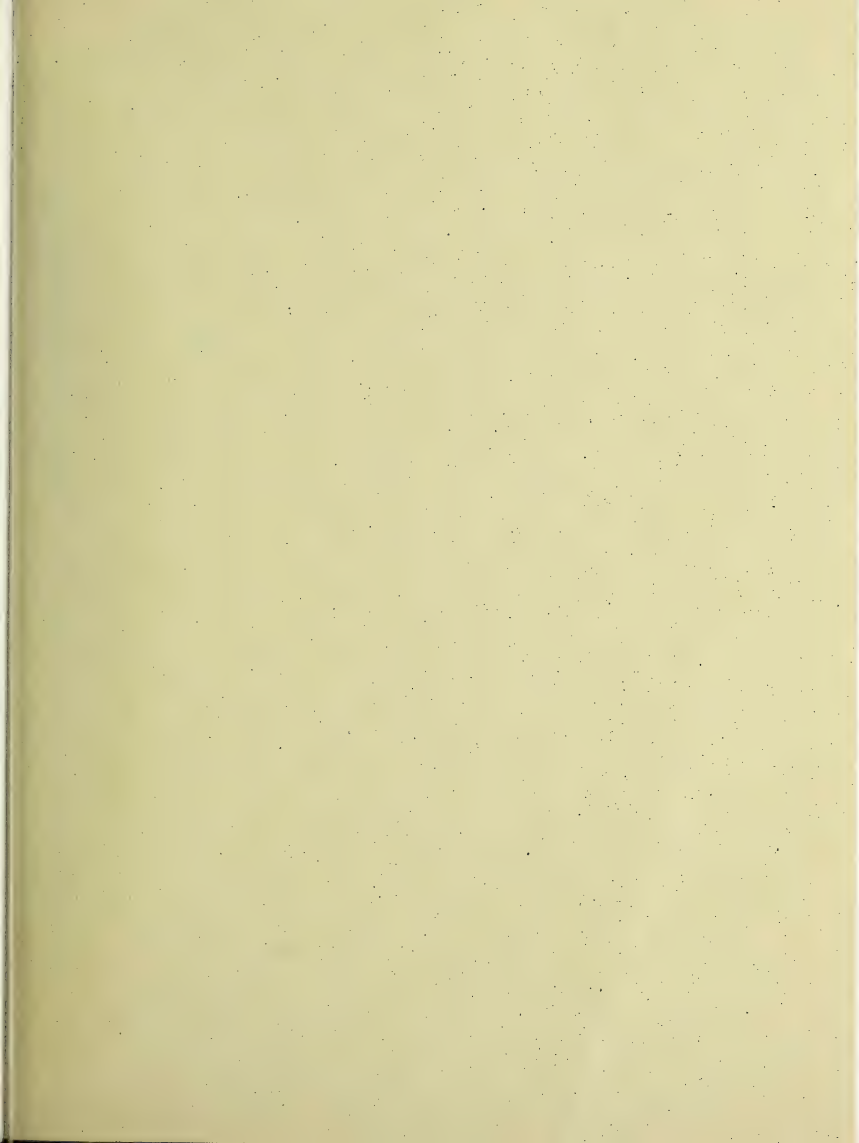
<u>Taxpayer</u>	<u>Type of Business</u>	<u>1992 Assessed Valuation (In 000's)</u>	<u>Percentage of Total Assessed Valuation</u>
Pacific Gas & Electric Company ..	Utilities	\$ 1,239,506	2.31%
Pacific Bell	Utilities, Communications	944,834	1.77
555 California Street Partners	Office, Commercial	743,267	1.39
Embarcadero Center (Includes Hyatt Regency Hotel and Embarcadero West)	Office, Commercial, Hotel	542,467	1.01
Marriott Corporation	Hotel	357,442	.67
Rincon Center Associates	Office, Commercial & Residential	344,634	.64
Viacom Cablevision	Cable TV, Possessory Interest, Personal Property	259,193	.48
101 California Venture	Office, Building	246,634	.46
Post-Montgomery Associates	Office, Commercial	213,086	.40
L & B 333 Bush Joint Venture	Office, Commercial & Residential	<u>207,752</u>	<u>.39</u>
Ten largest taxpayers		5,098,815	9.52
All other taxpayers		<u>48,432,388</u>	<u>90.48</u>
Taxable assessed valuation— all taxpayers		<u>\$53,531,203</u>	<u>100.00%</u>

CITY AND COUNTY OF SAN FRANCISCO

MISCELLANEOUS STATISTICS

June 30, 1992

Date of incorporation	April 15, 1850
Form of government	Chartered City and County
Area	46.1 square miles
Miles of streets	850.9 miles
Number of street lights	38,870
Fire protection:	
Number of stations	41
Number of firefighters	1,448
Police protection:	
Number of stations	10
Number of police officers	1,821
Education (K-12):	
Attendance centers	107
Number of classrooms	3,044
Number of teachers	3,683
Number of students	61,690
Municipal water department:	
Number of services	165,720
Average daily consumption	197.4 million gallons per day
Miles of water mains	1,199 miles
Sewers:	
Collecting sewers	750 miles
Transport sewers	150 miles
Authorized new dwelling units	1,037
Recreation and culture:	
Number of parks	227
Number of libraries	29
Number of library volumes	2 million
Employees (including police and fire):	
Classified service	22,765
Exempt	2,669





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Comprehensive Annual Financial Report
For the Year Ended
June 30, 1993
CALIFORNIA



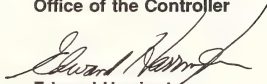
**CITY AND COUNTY OF
SAN FRANCISCO, CALIFORNIA**

Comprehensive Annual Financial Report

Year ended June 30, 1993



**Prepared by:
Office of the Controller**


**Edward Harrington
Controller**

CITY AND COUNTY OF SAN FRANCISCO

Comprehensive Annual Financial Report Year ended June 30, 1993

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City and County of San Francisco

Office of Controller



November 3, 1993

The Honorable Mayor and the Honorable
Board of Supervisors
City and County of San Francisco
San Francisco, California

I am pleased to present the Comprehensive Annual Financial Report (CAFR) of the City and County of San Francisco, California (the City) for the fiscal year ended June 30, 1993 with the independent auditors' report, submitted in compliance with City Charter Sections 3.302, 3.303, and 3.305 and California Government Code Sections 25250 and 25253. The CAFR has been prepared by the Controller's Office in conformance with the principles and standards for financial reporting set forth by the Governmental Accounting Standards Board (GASB). Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. I believe that the data, as presented, is accurate in all material respects; that its presentation fairly shows the financial position and the results of the City's operations as measured by the financial activity of its various funds; and that the included disclosures will provide the reader with a full understanding of the City's financial affairs.

Our Comprehensive Annual Financial Report is divided into three sections:

The Introductory Section includes information about the organizational structure of the City, its accounting and budgetary systems, and fund structure. It also has summarized data reflecting the financial condition of the City including an analysis of general government operations, enterprise operations, and debt administration.

The Financial Section is prepared using the pyramid approach prescribed by the GASB. It includes the General Purpose Financial Statements presenting the combined statements as an overview of the City's entire financial operations. Next, combining and individual fund and account group statements present each of the material separate funds and account groups of the City. Schedules provide certain other information and details of data summarized in the financial statements. The statements and schedules included in this section pertain to those operations which, when taken together, make up the reporting entity of the City. Also included in this section is the Independent Auditors' Report on the financial statements and schedules.

The Statistical Section includes tables containing historical financial data, debt statistics, and miscellaneous social and economic data of the City that are of interest to potential investors in our bonds and to other readers. The data includes ten-year revenue and expenditure information on an inflation adjusted basis.

THE REPORTING ENTITY AND ITS SERVICES

This CAFR includes all component units, funds and account groups of the City as described in notes 1 and 2 to the combined financial statements. We considered the oversight responsibility of the Mayor and the Board of Supervisors and the scope of public service in determining those departments, agencies, commissions, boards, activities, and functions whose financial information should be included in the CAFR. Oversight responsibility includes the ability to significantly influence operations, select the governing authority, designate management and participate in fiscal management. The general governmental funds provide a full range of services, including all the functions delegated to cities and counties under state law. (See the organization chart on page xvii for a comprehensive listing.) Included also are the enterprise operations of San Francisco International Airport, San Francisco General Hospital Medical Center, Laguna Honda Hospital, Port of San Francisco, Clean Water Program, Water Department/Hetch Hetchy Project, Municipal Railway and Municipal Railway Improvement Corporation; the operations of ten nonprofit corporations associated with the City; the operations of the San Francisco County Transportation Authority; the operations of the San Francisco Redevelopment Agency and its Financing Authority; and the operations of the Employees' Retirement System and Health Service System.

The San Francisco Unified School District, San Francisco Community College, San Francisco Housing Authority, and Private Industry Council of San Francisco were not included because they have only limited relationships with the City. The City is represented in two regional agencies, the Bay Area Rapid Transit District (BART), and the Bay Area Air Quality District (BAAQM) which are also excluded from the City's reporting entity.

SAN FRANCISCO'S ECONOMY

San Francisco's economy has remained comparatively strong given California's ongoing recession. While San Francisco's unemployment rate increased, the labor force has grown and is being supported by growth in retail sales, assessed values and the hospitality and tourism industry.

San Francisco's seasonally unadjusted civilian labor force grew 1% to 409,300 in July 1993 from 405,300 in July 1992, however the number of employed San Franciscans declined 0.6% from 376,300 in July 1992 to 374,000 in July 1993, and the unemployment rate rose from 7.2% in July 1992 to 8.6% in July 1993.

Retail sales in San Francisco fared somewhat better, rising 2.2% in FY 1993 (\$1.321 billion in July 1993 from \$1.293 billion in July 1992), compared with a 0.4% decline in regional (San Francisco-Oakland-San Jose) retail sales (\$4.591 billion in July 1993 compared with \$4.609 billion in July 1992).

The rate of growth in the assessed value of taxable real property declined from 5.7% in FY 1992 to 3.5% in FY 1993. In this same period, the commercial office vacancy rate remained stable at 11%, while the average rental rate fell 3% (from \$23.54 per square foot of Class A space in July 1992 to \$22.79 in July 1993). This largely reflects the movement of tenants taking advantage of market conditions to upgrade the quality of their office space.

Hospitality and tourism, San Francisco's largest industry, remained very strong with a 4.2% increase in total visitor spending in calendar year 1992 over 1991. Total convention-related expenditures grew 4.8% in calendar year 1992 to \$630 million and total non-convention visitor expenditures rose 7.6% to \$1.506 billion.

Office of Controller

Passenger traffic at San Francisco International Airport (SFO) rose 2.3% in FY 1993, largely due to an 8.9% increase in the number of international passengers. The number of major passenger airlines serving SFO rose 24% (from 29 carriers to 36) including 4 new foreign carriers.

MAJOR INITIATIVES

The City continued to pursue a strategy of accelerating approved public works projects to take advantage of favorable cost conditions and help offset the capacity in private construction activity. Initial design contracts for the \$2.4 billion expansion of San Francisco International Airport were awarded. Some \$200 million in waterfront transportation projects that will expand the City's light rail system currently are under construction. Another \$78 million in infrastructure improvements in Golden Gate Park also were begun. The \$70 million Yerba Buena Cultural Center and Gardens were completed and opened in October 1993. Major projects in the City's Civic Center in various stages of development include \$200 million of seismic upgrades for municipal buildings, a new \$50 million courthouse, and a new \$90 million Main Library. The State of California has budgeted \$7 million to plan and program a new State Office Building in the Civic Center, and construction related to the \$97 million seismic upgrade and renovation of the Federal Court of Appeals is underway.

San Francisco has three military bases in various stages of closure—Hunters Point Naval Shipyard, the Presidio of San Francisco, and Naval Station Treasure Island—that comprise 5% of the City's land area. The City is concluding a Memorandum of Understanding with the Navy for the acquisition and reuse of Hunters Point. Environmental remediation has been completed for one parcel of this base, and remediation of the balance, projected to occur over the next two decades, is underway. The Presidio of San Francisco will become a part of the Golden Gate National Recreation Area, the nation's most visited national park, on October 1, 1994. The National Park Service released a Draft General Management Plan Amendment and Draft Environmental Impact Statement for a sixty-day public comment period that will conclude in December 1993. The Park Service proposes a variety of new uses for the Presidio and its facilities to promote recreational opportunities and to create a global center dedicated to addressing environmental, social and cultural challenges. Environmental remediation is underway at Treasure Island and the City is preparing to enter negotiations with the Navy for its acquisition and reuse.

Design of the University of California San Francisco's new \$300 million Comprehensive Cancer Center at its Mt. Zion campus is nearly complete and construction is scheduled to begin in February 1994.

ACCOUNTING AND BUDGETING SYSTEMS

The City's financial picture is more readily understood with a general introduction to our accounting and budgeting systems. These systems provide the means for allocation of available resources and for the proper control and recording of revenues and expenditures.

The City's accounting records are maintained on a modified accrual basis for all governmental fund types and expendable trust and agency funds. Using this basis, expenditures other than interest on long-term debt are recorded when the liabilities are expected to be liquidated within the next year, and revenues are recorded when susceptible to accrual; that is, when both measurable and available. All other funds use the accrual basis where transactions are recognized when they occur, regardless of the timing of the related cash flow. Note 2 describes the City's significant accounting policies.

Office of Controller

As part of our ongoing effort to maintain fiscal stewardship and financial accountability, the City uses a fully computerized Financial Accounting Management Information System (FAMIS). Modifications and enhancements have been made continuously to FAMIS to keep abreast of changing accounting techniques and principles. FAMIS is based on the single transaction concept of processing, where all relevant files and reports are updated from a single input of information. Lookup tables are used to conform all accounting and classification treatments and may be changed by simple file maintenance initiated by the Controller's Office. Thus structured, FAMIS provides:

- (1) General and subsidiary accounting of all funds.
- (2) Appropriation accounting for all budgeted items.
- (3) Object-of-expenditure control.
- (4) Departmental cost and operating accounting.
- (5) Function and program accounting.
- (6) Project cost accounting.
- (7) Integrated Treasury management for pooled cash.

In developing and evaluating the City's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within the above framework. We believe that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

The City's budget is a detailed operating plan which identifies estimated costs and results in relation to estimated revenues. The budget includes (1) the programs, projects, services, and activities to be carried on during the fiscal year, (2) the estimated revenue available to finance the operating plan, and (3) the estimated spending requirements of the operating plan. The budget represents a process where policy decisions by the Mayor and Board of Supervisors are made, implemented, and controlled. Note 2(d) to the CAFR summarizes the budgetary roles of various City officials and the timetable for their various budgetary actions according to the City Charter.

FINANCIAL SUMMARY

San Francisco continues to function in a challenging fiscal environment caused in part by State of California budget decisions, recessionary pressures and increasing constituency needs for San Francisco citizens.

Two major transactions and one area of different presentation in FY 1992–93 have contributed significantly to the fluctuations in deposits and investments, interfund accounts and deferred credits and other liabilities at June 30, 1993 as compared to June 30, 1992.

A total of \$60 million in deferred credits and other liabilities resulted from two transactions to enhance liquidity and cash flow as follows:

Airport Advance/Loan

The City annually receives 15% of concessionaire revenue from San Francisco International Airport. During FY 1992–93, the City requested an advance of \$25 million from the Airport which represents the expected growth in concessionaire revenue over the next seven years. This advance was reflected in deferred credits and other liabilities in the General Fund Balance sheet for GAAP purposes. For budgetary purposes, this advance was accounted for as an other financing source in the General Fund. This is the major item accounting for the \$20.1 million increase in the GAAP basis undesignated fund deficit to \$98.6 million as of June 30, 1993.

Tax and Revenue Anticipation Notes (TRANS)

On June 30, 1993, the City issued a \$35 million TRANS to the San Francisco Transportation Authority. Since the Authority is included as a Special Revenue Fund in this CAFR, the TRANS liability is included in deferred credits and other liabilities in the General Fund. As of June 30, 1993, the special revenue fund showed a \$35 million increase in loans receivable balance from that as of June 30, 1992.

Enterprise Fund Cash Deficits

The preferred presentation of negative cash balances in any pooled fund is an interfund payable to other City funds selected by management. In FY 1991–92, the City did not follow that presentation. In FY 1992–93 we complied with the presentation, which resulted in \$109 million of cash transfers primarily between the General Fund and certain enterprise operations. These cash transfers and the resulting increase in Due To/Due From accounts should be taken into consideration when comparing these financial statements with prior years.

The following area of different presentation from the prior year also resulted in significant fluctuations and is discussed as follows:

Health Services Revenue Accounting

Over the past two years, certain State-funded Health programs have been realigned and expanded with accounting regulations that distort the real impact of the changes. The significant impact results from SB855 program revenue which provides funding for hospitals, such as San Francisco General Hospital, which provide a disproportionate share of services to Medi-Cal recipients. This program requires local General Fund match funds to be disbursed to the State and then returned as State health subventions.

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In FY 1992-93, while the accounting for this program has no bottom line impact (no excess of revenue over expenditures), the current year presentation results in changes in two accounts from the FY 1991-92 statements: \$62 million of General Fund local match for the SB855 program is shown as increased spending in Community Health with a corresponding decrease in operating transfers out. In the FY 1991-92 presentation, these transactions were netted out for reporting purpose. This is the most significant component of the increased expenditure in Community Health and a reduction in General Fund operating transfers out between the two years.

Other significant highlights of the City's operations for the year ended June 30, 1993 are as follows:

General Government Functions

The general government functions are contained in the General, Special Revenue and Debt Service Funds. These funds account for the major portion of the City's operating revenues and expenditures. Revenues for general government functions totaled approximately \$1,737 million in FY 1992-93, an increase of approximately 4.0% from FY 1991-92. The following table presents the amount of revenues from various sources as well as increases or decreases from the prior year.

Revenues Classified by Source General, Special Revenue, and Debt Service Funds (In Thousands)

Revenue by Source	Amount	% of Total	Increase/(Decrease) Over FY 91-92	
			Amount	% of Change
Property taxes.....	\$ 509,348	29.3 %	\$ (7,964)	(1.5) %
Business taxes.....	154,026	8.9	11,568	8.1
Other local taxes.....	292,427	16.8	19,879	7.3
Grants, subventions and other allocations	561,219	32.3	20,580	3.8
Licenses, fines, and penalties.....	53,165	3.1	(3,212)	(5.7)
Interest and investment earnings.....	33,283	1.9	3,106	10.3
Charges for services.....	117,550	6.8	20,999	21.7
Other.....	16,324	0.9	1,949	13.6
Total.....	<u>\$ 1,737,342</u>	<u>100.0 %</u>	<u>\$ 66,905</u>	<u>4.0 %</u>

Property tax revenues decreased 1.5% (\$8.0 million) due mainly to the state mandated property tax shift of \$53 million to the San Francisco Unified School District and the San Francisco Community College District. The effect of this large shift in property tax revenue to the two districts was partially offset by an increase in the tax rate of 2.6% from \$1.121 to \$1.150 in FY 1992-93. Other local taxes increased 7.3% primarily from an increase in the FY 1992-93 utility users tax rate, and to a lesser degree from increased

Office of Controller

revenue from the hotel tax. The increase in grants, subventions and other allocations resulted primarily from \$25 million in funding from the California Board of Corrections for construction of the new jail. A corresponding amount was transferred out to a capital projects fund. In addition, realignment revenue and corresponding expenditures increased by approximately \$15 million. Charges for services increased 21.7% (\$21.0 million) lead by an \$8 million increase in revenue in the Convention Facilities Fund as well as various charges for services by the Public Health Central Offices.

Expenditures Classified by Major Service Area General, Special Revenue, and Debt Service Funds

(In Thousands)

<u>Expenditure by Major Service Area</u>	<u>Amount</u>	<u>% of Total</u>	<u>Increase/(Decrease) Over FY 91-92</u>	
			<u>Amount</u>	<u>% of Change</u>
Public protection.....	\$ 448,308	29.2 %	\$ (6,699)	(1.5) %
Public works, transportation and commerce.....	87,616	5.7	(9,315)	(9.6)
Human welfare and neighborhood development.....	335,406	21.8	18,761	5.9
Community health.....	307,698	20.0	75,346	32.4
Culture and recreation.....	116,907	7.6	1,538	1.3
General administration and finance.....	142,997	9.3	(11,392)	(7.4)
Debt service:				
Principal retirement.....	42,810	2.8	21,800	103.8
Interest and fiscal charges.....	56,336	3.6	12,519	28.6
Total.....	<u>\$ 1,538,078</u>	<u>100.0 %</u>	<u>\$ 102,558</u>	<u>7.1 %</u>

Expenditures in FY 1992-93 reflect significant reductions in several categories from FY 1991-92 due to the State and local fiscal environment. The three areas with significant increases to expenditures include human welfare, community health and debt service. Human welfare and neighborhood development increased 5.9% (\$18.8 million) primarily from increased expenditures in Social Services which was funded by various subvention programs. Community Health increased 32.4% (\$75.3 million) primarily as a result of the classification of the flow of funding discussed under Health Services Revenue Accounting above. Debt service expenditures increased 52.9% from \$64.8 million in FY 1991-92 to \$99.1 million in FY 1992-93 as a result of increases in current year maturities of voter approved debt.

Enterprise Operations

The public service enterprise operations are financed and operated similarly to private businesses. Costs (including depreciation) of providing services to the general public are recovered in whole or in part through user charges. The following table shows actual revenues, expenses and results of operations for the current fiscal year (in thousands).

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	<u>Operating Revenues</u>	<u>Operating Expenses</u>	<u>Operating Income (Loss)</u>	<u>Non- Operating Revenues (Expense)</u>	<u>Net Operating Transfers In/Out</u>	<u>Net Income (Loss)</u>
Airport.....	\$ 169,332	\$ 139,784	\$ 29,548	\$ (27,216) *	\$ (14,988)	\$ (12,656)
Port.....	32,086	31,240	846	(1,966)	—	(1,120)
Water/Hetch Hetchy.....	179,291	143,047	36,244	(6,614)	(27,000)	2,630
Muni Railway.....	91,537	306,464	(214,927)	68,244	115,549	(31,134)
Laguna Honda Hospital	89,823	102,199	(12,376)	476	10,082	(1,818)
General Hospital.....	226,265	268,666	(42,401)	8,678	40,513	6,790
Clean Water.....	104,251	82,832	21,419	(44,506) *	4,645	(18,442)
Parking Garages/Other	17,313	12,675	4,638	(873)	(2,793)	972
Total.....	<u>\$ 909,898</u>	<u>\$ 1,086,907</u>	<u>\$ (177,009)</u>	<u>\$ (3,777)</u>	<u>\$ 126,008</u>	<u>\$ (54,778)</u>

* Including extraordinary items as explained in note 7 to the financial statements.

Pension Trust Fund Operations

The City has a defined benefit retirement plan in which substantially all full-time employees participate. The plan's most recent actuarial calculations, as of June 30, 1992, estimate an unfunded pension benefit obligation of \$306 million. The City's Charter requires full funding by June 30, 2000. Historical trend information (note 8) shows steady progress in meeting that requirement.

A Charter amendment (Proposition A) was approved by the voters in the November 5, 1991 election providing for an early retirement program for General members of the retirement plan. Under the program, three years of age and three years of service were added when calculating the service retirement benefits for all members who elect to retire during February and March, 1992. Approximately 1,300 City employees retired under the program.

In November 1992, the voters approved Proposition F, "Retirement Allowance Increase". Under the program, Miscellaneous members who retired before July 2, 1991 will receive an increase of \$3 a month for each full year of retirement, up to a maximum of \$75 a month.

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Debt Administration

The City's ratio of net bonded debt to taxable valuation and the amount of bonded debt per capita are useful indicators of our debt position to management, citizens, and investors. A comparison of these indicators follows:

	<u>1993</u>	<u>1992</u>
Net tax supported bonded debt.....	\$602,866,000	\$528,140,000
Net bonded debt per capita	810.73	724.74
Ratio of net bonded debt to taxable valuation.....	1.13%	1.01%
Tax rate per \$100 taxable valuation.....	.12	.09

As of June 30, 1993, the City had \$606.1 million in authorized, outstanding property tax-supported general obligation bonds. Remaining authorized, unissued general obligation bonds totaled \$612.7 million. Our current ratings on general obligation bonds are:

Moody's Investors Service, Inc.	Aa
Standard and Poor's Corporation	AA-
Fitch Investors Service, Inc.	AA

The City is also responsible for collecting taxes to pay a portion of general obligation debt of the Bay Area Rapid Transit District (BART). The City taxpayers are responsible for \$73.1 million or approximately 29.9% of BART outstanding debt.

Cash Management

The City's pooled deposits and investments are invested pursuant to policy established by the Treasurer which seeks preservation of capital, liquidity and yield, in that order of priority. The policy addresses soundness of financial institutions holding our assets and the types of investments permitted by the California Government Code. The earned yield for the current fiscal year was 6.3%. The Employees' Retirement System and the Redevelopment Agency deposits and investments are maintained outside the City Treasurer and follow policies established by their respective governing boards.

Risk Management

With few exceptions, the City does not purchase commercial insurance against property, liability or workers' compensation risks. The major enterprise fund departments (Airport, Municipal Railway, Water/Hetch Hetchy and Port), whose uninsured losses must be paid from their own revenues, account for 90% of insurance purchased by the City. The balance of insurance is purchased by the General Fund for departments as required by bond financing and for art at City-owned museums. The City's insurance/self-insurance program is reviewed annually in the budget process.

The City self insures for workers' compensation claims. A portion of the estimated cost is allocated to each department according to a formula which considers claims payment history (experience) and payroll (exposure). This increases the visibility of worker's compensation issues in each department, and creates

Office of Controller

financial accountability in General Fund departments. In order to better control the costs of workers' compensation, the Risk Management Office is working with interested departments to develop workers' compensation programs tailored to the needs of each department. The programs focus on accident prevention, investigation and a return-to-work modified duty program.

Fund Balances

At June 30, 1993, the City had a \$98.6 million deficit in its General Fund unreserved-undesignated fund balance, as determined under generally accepted accounting principles, which reflects accrued liabilities of \$70.5 million for incurred liabilities (primarily claims litigation, workers' compensation liability and accrued vacation and sick leave pay) which have been budgeted for payment in FY 1993-94. In addition, on a GAAP basis, the City deferred recognition of revenue on a \$25 million advance from the Airport which was recorded as revenue for budgetary purposes. General Fund reserved fund balances include \$57 million of charter required cash reserve, \$4.5 million of charter required reserve for emergency, \$17 million reserve for encumbrance, \$2 million of reserve for assets not available for appropriation, such as inventory and advances, \$5.2 million reserved by ordinance but which require appropriations for actual expenditure as described in note 3 to the combined financial statements, and \$5.3 million for appropriations which had been made but where specific commitments or expenditures have not yet occurred. Accordingly, these appropriations have been carried forward to fiscal year 1993-94.

As explained in note 3, the City prepares its budget on an accounting basis different from generally accepted accounting principles. The unappropriated budgetary fund balance at June 30, 1993 was \$0.7 million. The fiscal year 1993-94 General Fund budget established budgetary reserves of \$46.1 million.

At June 30, 1993, the Special Revenue and Capital Projects fund types had unreserved fund balances of \$262.8 million and reserves for appropriations carried forward of \$297.2 million, as presented in the accompanying combined financial statements. These fund balances may be used only for specific purposes.

Office of Controller

INDEPENDENT AUDIT

The City's Charter requires an annual audit of the Controller's records. These records, represented in the Comprehensive Annual Financial Report, were audited by a consortium headed by the nationally recognized certified public accounting firm, KPMG Peat Marwick. The various enterprise funds, the Employees' Retirement System, the Health Service System, the San Francisco County Transportation Authority and the Redevelopment Agency were separately audited.

The report from the consortium of independent auditors, KPMG Peat Marwick, Williams, Adley and Company and Chek F. Tan (representing a separate consortium known as Associated Asian CPA Firms), on our current financial statements is presented in the Financial Section.

CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 1992. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

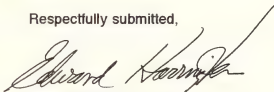
In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized CAFR, whose contents conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City has received a Certificate of Achievement for the last ten consecutive years (fiscal years ended June 30, 1983 – 1992). We believe our current report continues to conform to Certificate of Achievement program requirements, and we are submitting it to the GFOA.

ACKNOWLEDGEMENTS

I would like to express my appreciation to the entire staff of the Controller's Office whose professionalism, dedication and efficiency are responsible for the timely preparation of this report. I would like to thank KPMG Peat Marwick for their invaluable professional assistance. Finally, I thank the Mayor, the Board of Supervisors and the Audit Advisory Committee for their continued interest and unfailing support in planning and conducting the City's financial operations in a responsible and progressive manner.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Edward Harrington", with a long, sweeping flourish extending upwards and to the right.

Edward Harrington
Controller

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City and County of
San Francisco, California

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 1992

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



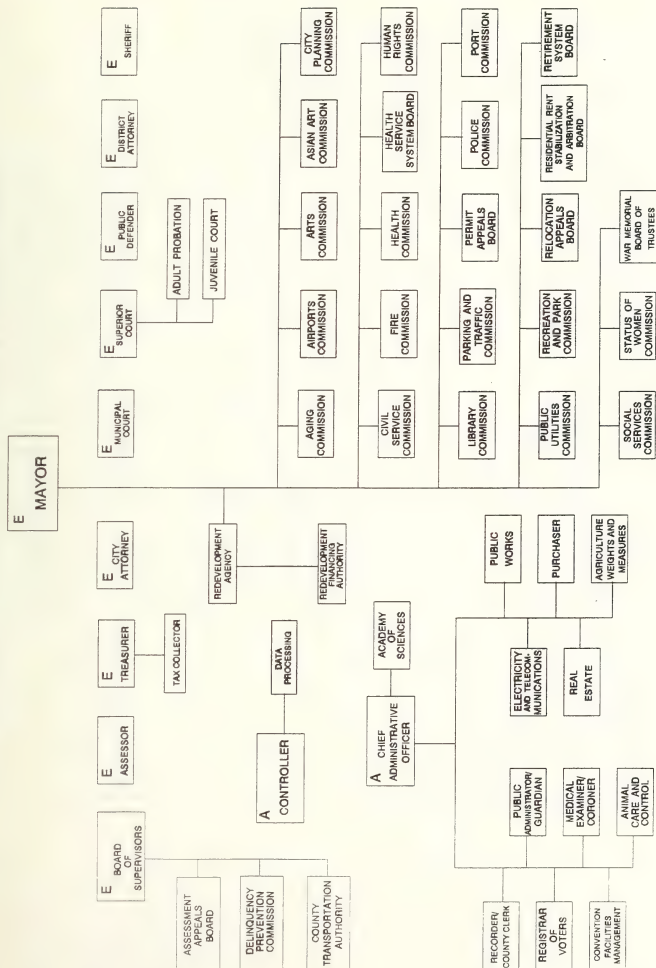
Arnold L. Hahn

President

Jeffrey L. Esser

Executive Director

San Francisco City and County Government



A Appointed by Mayor and confirmed by Board of Supervisors

E Elected

CITY AND COUNTY OF SAN FRANCISCO

List of Principal Officials as of June 30, 1993

ELECTED OFFICIALS

Mayor.....	Frank Jordan
Board of Supervisors:	
President.....	Angela Alioto
Supervisor.....	Sue Bierman
Supervisor.....	Annemarie Conroy
Supervisor.....	Terence Hallinan
Supervisor.....	Tom Hsieh
Supervisor.....	Barbara Kaufman
Supervisor.....	Willie B. Kennedy
Supervisor.....	Susan Leal
Supervisor.....	Bill Maher
Supervisor.....	Carole Migden
Supervisor.....	Kevin F. Shelley
Supervisor.....	Doris M. Ward
Assessor.....	Louise H. Renne
City Attorney.....	Arlo Smith
District Attorney.....	Jeff Brown
Public Defender.....	Michael Hennessey
Sheriff.....	Mary Callanan
Treasurer/Tax Collector.....	
Superior Court (29 Departments)	
Presiding Judge.....	Raymond J. Arata, Jr.
Municipal Court (20 Departments)	
Presiding Judge.....	Joseph Desmond

APPOINTED OFFICIALS

Chief Administrative Officer.....	Rudolf Nothenberg
Controller	Edward Harrington

DEPARTMENT DIRECTORS

Chief Adult Probation Officer.....	Arlend Sauser
Executive Director of Commission on the Aging	David Ishida
Commission of Agriculture/Sealer of Weights and Measure.....	G. Evan Weeth
Director of Airports.....	Louis A. Turpen
Director of Animal Care and Control	Carl Friedman
Director of Art Commission.....	Joanne C. Winship
Director of Asian Art Commission.....	Rand Castile
Director of California Academy of Sciences.....	Roy Eisenhardt
Clerk of the Board of Supervisors.....	John L. Taylor
Clerk of Municipal Court.....	Gordon Park-Li
Chief Executive Officer for Municipal and Superior Courts.....	Alan Carlston
General Manager of Personnel, Civil Service Commission.....	Wendel Pryor
Director of Convention Facilities.....	Jack Moerschbaecher

DEPARTMENT DIRECTORS-(Continued)

General Manager of Electricity and Telecommunications.....	H. Daniel McFarland
Director of Fine Arts Museums.....	Harry S. Parker III
Fire Chief.....	Joseph Medina
Executive Director of Health Service System.....	Randall B. Smith
Director of Health (Acting).....	Florence Stroud
Deputy Director for Community Mental Health Services.....	Jeffrey Jue
Executive Administrator of San Francisco General Hospital Medical Center.....	Richard Cordova
Executive Administrator of Laguna Honda Hospital.....	Anthony Wagner
Executive Director of Human Rights Commission.....	Edwin Lee
Chief Probation Officer - Juvenile Court.....	Fred Jordan
City Librarian.....	Kenneth E. Dowlin
Law Librarian.....	Marcia Bell
Chief Medical Examiner/Coroner.....	Boyd G. Stephens, M.D.
Executive Director of Parking and Traffic.....	John Newlin
Executive Director of Permit Appeals Board.....	Robert H. Feldman
Director of City Planning.....	Lucien Blazej
Chief of Police.....	Anthony Ribera
General Manager, Port of San Francisco.....	Walter A. Abernathy
Public Administrator/Public Guardian.....	Ricardo Hernandez
General Manager of Public Utilities Commission (Acting).....	Anson Moran
General Manager of Hetch Hetchy Project.....	Anson Moran
General Manager of Municipal Railway.....	Johnny Stein
General Manager of Water.....	John Mullane
Director of Public Works.....	John Cribbs
Director of Purchasing.....	Marvin Geistlinger
Director of Real Estate.....	Anthony DeLucchi
Recorder/County Clerk.....	Bruce Jamison
General Manager of Recreation and Parks Commission.....	Mary Burns
Executive Director of San Francisco Redevelopment Agency.....	Edward N. Helfeld
Registrar of Voters.....	Germaine Wong
Director of Residential Rent Stabilization and Arbitration Board.....	Joseph Grubb
General Manager of Employees' Retirement System.....	Clare M. Murphy
General Manager of Social Services.....	Brian Cahill
Director of Commission on Status of Women.....	Sharon Johnson
Managing Director of War Memorial.....	Thelma Shelley

Chek F. Tan



INDEPENDENT AUDITORS' REPORT

The Honorable Mayor and Board of Supervisors
City and County of San Francisco, California

We have audited the combined financial statements of the City and County of San Francisco, California as of and for the year ended June 30, 1993, as listed in the accompanying table of contents. These combined financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these combined financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the combined financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of the City and County of San Francisco, California as of June 30, 1993, and the results of its operations and the cash flows of its proprietary and nonexpendable trust fund types for the year then ended in conformity with generally accepted accounting principles.

As discussed in note 2 (o) to the combined financial statements, the City has changed its definition of cash and cash equivalents for the combined statement of cash flows of its proprietary and nonexpendable trust fund types.

Our audit was made for the purpose of forming an opinion on the combined financial statements taken as a whole. The combining, individual fund, and individual account group financial statements and schedules listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the combined financial statements of the City and County of San Francisco, California. Such information has been subjected to the auditing procedures applied in the audit of the combined financial statements and, in our opinion, is fairly stated in all material respects in relation to the combined financial statements taken as a whole.

*KPMG Peat Marwick**Chek Tan**William's, Adley & Company*

San Francisco, California
November 3, 1993

Combined Financial Statements
(General Purpose Financial Statements)

CITY AND COUNTY OF SAN FRANCISCO
Combined Balance Sheet-All Fund Types and Account Groups
June 30, 1993
(In Thousands)

ASSETS AND OTHER DEBITS

	Governmental Fund Types				Proprietary Fund Types		Fiduciary Fund Types	Account Groups		
	General	Special Revenue	Debt Service	Capital Projects	Enterprise (Note 9)	Interlocal Service	Trust and Agency	General Fixed Assets	Long-Term Obligations	Total (Memorandum Only)
Deposits and investments (note 4).....	\$ 6,821	\$ 191,932	\$ 3,185	\$ 476,938	\$ 346,998	\$ 4,517	\$ 246,976	\$ -	\$ -	\$ 1,277,367
Investments with trustee (note 4).....	-	8,017	128,623	12,023	7,170	-	5,579,298	-	-	5,735,131
Receivables (net of allowance for uncollectible amounts of \$62,433)										
Property taxes and penalties.....	50,917	1,410	5,204	-	-	-	-	-	-	57,531
Other local taxes.....	77,600	18,081	-	-	-	-	-	-	-	95,681
Federal and state grants and subventions.....	44,025	33,640	-	10,397	44,750	-	-	-	-	132,812
Charges for services.....	1,429	-	-	-	132,098	307	-	-	-	133,834
Interest and other.....	999	5,491	93	1,018	16,945	-	185,694	-	-	210,240
Due from other funds (note 11).....	140,695	75,394	5	54,829	66,293	7,594	11,677	-	-	356,487
Loans receivable (note 2(n)).....	-	68,427	-	25,168	-	-	-	-	-	93,595
Inventories.....	91	560	-	-	28,726	218	-	-	-	29,585
Restricted assets:										
Deposits and investments (note 4).....	4,107	-	-	-	511,651	-	-	-	-	515,758
Investments with trustee (note 4).....	-	-	-	-	228,920	-	-	-	-	228,920
Grants and other receivables.....	-	-	-	-	14,346	-	-	-	-	14,346
Property held for resale (note 10).....	-	-	-	80,917	-	-	-	-	-	80,917
Fixed assets (net of accumulated depreciation in proprietary fund types) (note 6).....	-	-	-	-	3,144,909	2,475	-	1,490,561	-	4,637,945
Deferred charges and other assets.....	1,251	10,119	-	-	38,549	-	4,733	-	-	54,652
Amount available in Debt Service Funds.....	-	-	-	-	-	-	-	-	128,183	128,183
Amount to be provided for long-term obligations.....	-	-	-	-	-	-	-	-	1,149,414	1,149,414

Total assets and other debts.....	\$ 327,936	\$ 413,061	\$ 137,110	\$ 661,290	\$ 4,581,355	\$ 15,111	\$ 6,028,378	\$ 1,490,561	\$ 1,277,597	\$ 14,932,368
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See accompanying notes to combined financial statements.

(Continued)

CITY AND COUNTY OF SAN FRANCISCO
Combined Balance Sheet-All Fund Types and Account Groups-(Continued)
June 30, 1993
(In Thousands)

LIABILITIES

	Governmental Fund Types				Proprietary Fund Types		Fiduciary Fund Types	Account Groups		
	General	Special Revenue	Debt Service	Capital Projects	Enterprise (Note 9)	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Obligations	Total (Memorandum Only)
Accounts payable.....	\$ 33,430	\$ 18,392	\$ 789	\$ 21,749	\$ 52,358	\$ 1,673	\$ 40,956	\$ -	\$ -	\$ 169,347
Accrued payroll.....	20,828	6,073	-	-	20,949	628	131	-	-	48,609
Accrued vacation and sick leave pay (note 7).....	24,550	6,701	-	540	42,017	-	428	-	44,283	118,519
Accrued workers' compensation (notes 7 and 12).....	19,200	-	-	-	44,946	-	-	-	59,389	123,535
Estimated claims payable (notes 7 and 12).....	20,040	-	-	-	25,752	-	8,123	-	40,933	94,848
Deferred tax, grant and subvention revenues.....	57,903	22,848	-	-	-	-	-	-	-	80,751
Due to other funds (note 11).....	77,188	56,390	-	23,754	161,455	208	37,492	-	-	356,487
Agency obligations:										
School and College Districts	-	-	-	-	-	-	140,655	-	-	140,655
Other	-	-	-	-	-	-	112,605	-	-	112,605
Deferred credits and other liabilities (note 9(a)).....	82,025	61,275	8,138	32,201	50,141	-	319,269	-	-	553,049
Bond interest payable.....	-	-	-	-	17,084	-	-	-	-	17,084
Bonds, loans, and capital leases payable (notes 7 and 12).....	-	-	-	-	1,573,494	67	-	-	1,132,992	2,706,553
Liabilities payable from restricted assets.....	-	-	-	-	33,432	-	-	-	-	33,432
Total liabilities.....	335,164	171,679	8,927	78,244	2,021,628	2,576	659,659	-	1,277,597	4,555,474
FUND EQUITY AND OTHER CREDITS										
Contributed capital, net.....	-	-	-	-	1,375,888	3,604	-	-	-	1,379,492
Investment in general fixed assets.....	-	-	-	-	-	-	-	1,490,561	-	1,490,561
Retained earnings:										
Reserved for contractual and other commitments.....	-	-	-	-	-	6,211	-	-	-	6,211
Unreserved.....	-	-	-	-	1,183,839	2,720	-	-	-	1,186,559
Fund balances:										
Reserved for employees' retirement/health benefits.....	-	-	-	-	-	-	5,359,066	-	-	5,359,066
Reserved by charter for cash requirements.....	57,045	-	-	-	-	-	-	-	-	57,045
Reserved by charter for emergencies.....	4,498	-	-	-	-	-	-	-	-	4,498
Reserved for inventory type assets not available for appropriation.....	2,277	11,950	-	-	-	-	345	-	-	14,572
Reserved for property held for resale (note 10).....	-	-	-	80,917	-	-	-	-	-	80,917
Reserved for debt service.....	-	-	128,183	-	-	-	-	-	-	128,183
Reserved for encumbrances.....	17,008	13,616	-	157,974	-	-	-	-	-	188,598
Reserved for appropriation carryforward.....	5,330	166,349	-	130,835	-	-	4,706	-	-	307,220
Reserved for subsequent years' budgets.....	5,222	-	-	-	-	-	-	-	-	5,222
Unreserved-undesignated (deficit).....	(98,609)	49,467	-	213,320	-	-	4,602	-	-	168,780
Total fund equity and other credits.....	(7,229)	241,382	128,183	583,046	2,559,727	12,535	5,368,719	1,490,561	-	10,376,924
Total liabilities, fund equity and other credits.....	\$ 327,935	\$ 413,061	\$ 137,110	\$ 661,290	\$ 4,581,355	\$ 15,111	\$ 6,028,378	\$ 1,490,561	\$ 1,277,597	\$ 14,932,398

See accompanying notes to combined financial statements.

CITY AND COUNTY OF SAN FRANCISCO

**Combined Statement of Revenues, Expenditures and Changes in Fund Balances-
All Governmental Fund Types and Expendable Trust Fund**

Year ended June 30, 1993

(In Thousands)

	Governmental Fund Types				Fiduciary Fund Types	Total (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Expendable Trust	
Revenues:						
Property taxes	\$ 425,498	\$ 19,771	\$ 64,079	\$ 9,387	\$ -	\$ 518,735
Business taxes	153,599	427	-	-	-	154,026
Other local taxes	187,384	105,043	-	-	-	292,427
Grants, subventions and other allocations	419,440	140,944	835	21,216	172	582,607
Licenses, fines and penalties	46,786	6,379	-	-	-	53,165
Interest and investment earnings	8,302	15,165	9,816	24,890	737	58,910
Charges for services	42,111	75,439	-	-	54	117,604
Contributions	-	-	-	-	6,292	6,292
Land sales proceeds	-	-	-	1,193	-	1,193
Other	9,184	2,280	4,860	29,370	-	45,694
Total revenues	\$ 1,292,304	\$ 365,448	\$ 79,590	\$ 86,056	\$ 7,255	\$ 1,830,653
Expenditures:						
Operating expenditures:						
Public protection	440,178	8,130	-	-	53	448,361
Public works, transportation and commerce	31,502	56,114	-	-	48	87,664
Human welfare and neighbor- hood development	298,300	37,106	-	-	60	335,466
Community health	256,324	51,374	-	-	435	308,133
Culture and recreation	64,474	52,433	-	-	1,652	118,559
General administration and finance	116,546	26,451	-	-	475	143,472
Capital outlay	-	10,468	-	191,262	-	201,730
Debt service:						
Principal retirement	-	-	42,810	-	-	42,810
Interest and fiscal charges	-	-	56,336	-	-	56,336
Total expenditures	1,207,324	242,076	99,146	191,262	2,723	1,742,531
Excess (deficiency) of revenues over (under) expenditures	84,980	123,372	(19,556)	(105,206)	4,532	88,122
Other financing sources (uses):						
Operating transfers in	81,390	21,679	38,438	99,022	36	240,564
Operating transfers out	(177,600)	(116,394)	(38,245)	(29,076)	(5,031)	(366,346)
Proceeds from issuance of bonds (note 7)	-	10,611	33,690	114,131	-	158,432
	(96,210)	(84,104)	33,883	184,077	(4,996)	32,650
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(11,230)	39,268	14,327	78,871	(464)	120,772
Fund balances at beginning of year	3,828	201,737	113,856	515,300	10,117	844,838
Net change in reserve for inventory type assets not available for appropriation and property held for resale	173	377	-	(11,125)	-	(10,575)
Fund balances (deficit) at end of year	\$ (7,229)	\$ 241,382	\$ 128,183	\$ 583,046	\$ 9,653	\$ 955,035

See accompanying notes to combined financial statements.

CITY AND COUNTY OF SAN FRANCISCO
Combined Statement of Revenues, Expenditures,
Encumbrances and Changes in Fund Balances--Budget and Actual--
General and Certain Special Revenue Fund Types--Budget Basis (note 3)
Year ended June 30, 1993
(In Thousands)

	General Fund			Certain Special Revenue Funds		
	Revised Budget	Actual	Variance- Favorable (Unfavorable)	Revised Budget	Actual	Variance- Favorable (Unfavorable)
Revenues:						
Property taxes.....	\$ 432,267	\$ 433,209	\$ 942	\$ 19,678	\$ 19,999	\$ 321
Business taxes.....	149,000	154,281	5,281	450	427	(23)
Other local taxes.....	194,197	187,407	(6,790)	63,419	62,096	(1,323)
Grants, subventions and other allocations.....	448,541	440,309	(8,232)	26,039	24,572	(1,467)
Licenses, fines and penalties.....	57,660	46,786	(10,874)	3,995	5,013	1,018
Interest and investment earnings.....	14,425	8,727	(5,698)	4,275	5,252	977
Charges for services.....	42,509	40,004	(2,505)	62,078	63,886	1,808
Other.....	8,506	9,184	678	263	311	48
Total revenues.....	1,347,105	1,319,907	(27,198)	180,197	181,556	1,359
Expenditures and encumbrances:						
Public protection.....	447,650	441,041	6,609	4,117	3,584	533
Public works, transportation and commerce.....	32,785	31,378	1,407	56,080	52,392	3,688
Human welfare and neighborhood development.....	312,429	302,562	9,867	17,930	17,830	100
Community health.....	245,763	241,236	4,527	1,995	1,995	-
Culture and recreation.....	65,190	64,315	875	57,494	52,469	5,025
General administration and finance.....	121,627	116,306	5,321	15,568	15,556	12
Total expenditures and encumbrances.....	1,225,444	1,196,838	28,606	153,184	143,826	9,358
Excess (deficiency) of revenues over (under) expenditures and encumbrances.....	121,661	123,069	1,408	27,013	37,730	10,717
Other financing sources (uses):						
Proceeds from advance (note 3).....	25,000	25,000	-	-	-	-
Operating transfers in.....	74,261	75,785	1,524	67,262	62,655	(4,607)
Operating transfers out.....	(213,736)	(211,234)	2,502	(94,420)	(93,753)	667
	(114,475)	(110,449)	4,026	(27,158)	(31,098)	(3,940)
Excess (deficiency) of revenues and other sources over (under) expenditures, encumbrances and other uses.....	7,186	12,620	5,434	(145)	6,632	6,777
Fund balances at beginning of year.....	66,747	66,747	-	91,893	91,893	-
Use of contingency reserve (note 3(b)).....	(3,615)	(3,615)	-	(39)	(39)	-
Fund balances at end of year.....	\$ 70,318	\$ 75,752	\$ 5,434	\$ 91,709	\$ 98,486	\$ 6,777

See accompanying notes to combined financial statements.

CITY AND COUNTY OF SAN FRANCISCO

Combined Statement of Revenues, Expenses and Changes
in Retained Earnings/Fund Equity
All Proprietary Fund Types and Similar Trust Funds
Year ended June 30, 1993
(In Thousands)

	Proprietary Fund Types		Fiduciary Fund Types		Total (Memoran- dum Only)
	Enterprise (note 9)	Internal Service	Pension Trust	Non- expendable Trust	
Operating revenues:					
Charges for services.....	\$ 767,793	\$ 36,940	\$ -	\$ -	\$ 804,733
Rent and concessions.....	135,103	-	-	-	135,103
Contributions.....	-	-	225,811	156,147	381,958
Income from investments.....	-	-	482,329	1,661	483,990
Other.....	7,002	-	-	-	7,002
Total operating revenues.....	909,898	36,940	708,140	157,808	1,812,786
Operating expenses:					
Personal services.....	603,334	15,639	-	-	618,973
Contractual services.....	124,629	10,708	-	111,532	246,869
Light, heat and power.....	42,287	-	-	-	42,287
Materials and supplies.....	69,180	5,694	-	-	74,874
Depreciation.....	113,881	1,082	-	-	114,963
General and administrative.....	-	-	4,120	-	4,120
Services provided by other departments.....	74,533	592	-	-	75,125
Benefit payments.....	-	-	262,079	39,990	302,069
Other.....	59,063	-	-	-	59,063
Total operating expenses.....	1,086,907	33,715	266,199	151,522	1,538,343
Operating income (loss).....	(177,009)	3,225	441,941	6,286	274,443
Nonoperating revenues (expenses):					
Operating grants:					
Federal.....	7,574	-	-	-	7,574
State/other.....	55,276	-	-	-	55,276
Interest income.....	61,166	-	-	-	61,166
Interest expense.....	(96,470)	-	-	-	(96,470)
Other, net.....	13,548	-	-	-	13,548
	41,094	-	-	-	41,094
Income (loss) before operating transfers	(135,915)	3,225	441,941	6,286	315,537
Operating transfers in.....	173,055	-	-	-	173,055
Operating transfers out.....	(47,047)	(226)	-	-	(47,273)
	125,008	(226)	-	-	125,782
Net income (loss) before extraordinary items.....	(9,907)	2,999	441,941	6,286	441,319
Extraordinary items (note 7).....	(44,871)	-	-	-	(44,871)
Net income (loss).....	(54,778)	2,999	441,941	6,286	396,448
Depreciation on fixed assets purchased with externally restricted sources that reduces contributed capital.....	36,955	144	-	-	37,099
Retained earnings/fund equity at beginning of year.....	1,202,626	5,788	4,894,708	16,131	6,119,253
Residual equity transfers out (note 2(h)).....	(964)	-	-	-	(964)
Retained earnings/fund equity at end of year.....	\$ 1,183,839	\$ 8,931	\$ 5,336,649	\$ 22,417	\$ 6,551,836

See accompanying notes to combined financial statements.

CITY AND COUNTY OF SAN FRANCISCO

Combined Statement of Cash Flows- All Proprietary Fund Types and Nonexpendable Trust Fund Year ended June 30, 1993 (In Thousands)

	Proprietary Fund Types		Fiduciary Fund Types	Total (Memoran- dum Only)
	Enterprise (note 9)	Internal Service	Non- expendable Trust	
Cash flows from operating activities:				
Operating income (loss).....	\$ (177,009)	\$ 3,225	\$ 4,625	\$ (169,159)
Adjustments for noncash activities:				
Depreciation.....	113,881	1,082	-	114,963
Provision for uncollectibles.....	6,190	-	-	6,190
Other.....	454	-	-	454
Changes in assets/liabilities:				
Receivables, net.....	(40,775)	141	(11)	(40,645)
Due from other funds.....	(530)	(354)	(2,314)	(3,198)
Inventories.....	(1,144)	-	-	(1,144)
Deferred charges and other assets.....	3,963	(100)	-	3,863
Accounts payable.....	(12,764)	325	(659)	(13,098)
Accrued payroll.....	7,200	157	-	7,357
Estimated claims payable.....	-	-	(2,287)	(2,287)
Due to other funds.....	68,281	(248)	(1,596)	66,437
Deferred credits and other liabilities.....	15,593	(39)	(4,411)	11,143
Net cash provided by (used in) operating activities..	(16,660)	4,189	(6,653)	(19,124)
Cash flows from noncapital financing activities:				
Operating grants received.....	53,264	-	-	53,264
Operating transfers in.....	164,554	-	-	164,554
Operating transfers out.....	(47,233)	(226)	-	(47,459)
Residual equity transfers out.....	(964)	-	-	(964)
Other noncapital decrease.....	(10,407)	-	-	(10,407)
Net cash provided by (used in) noncapital financing activities.....	159,214	(226)	-	158,988
Cash flows from capital financing activities:				
Capital grants.....	56,713	-	-	56,713
Bond sale proceeds.....	21,030	-	-	21,030
Payment to refunded bond escrow agent.....	(22,297)	-	-	(22,297)
Proceeds from sale of fixed assets.....	410	-	-	410
Transfer from other funds for debt service.....	4,645	-	-	4,645
Acquisition of fixed assets.....	(246,547)	(570)	-	(247,117)
Retirement of capital lease obligation.....	(3,486)	-	-	(3,486)
Retirement of general obligation bonds.....	(8,837)	-	-	(8,837)
Retirement of revenue bonds.....	(26,748)	-	-	(26,748)
Interest paid on long term debt.....	(93,944)	-	-	(93,944)
Other capital financing activities.....	45,905	-	-	45,905
Net cash used in capital financing activities.....	(273,156)	(570)	-	(273,726)
Cash flows from investing activities:				
Increase in investments with trustees - restricted and unrestricted.....	198,476	-	-	198,476
Decrease in restricted investments.....	(128,855)	-	-	(128,855)
Interest income received.....	49,414	-	1,661	51,075
Other investing activities.....	2,043	-	-	2,043
Net cash provided by investing activities.....	121,078	-	1,661	122,739
Net increase (decrease) in cash and cash equivalents.....	(9,524)	3,393	(4,992)	(11,123)
Cash and cash equivalents - beginning of year (notes 2(o) and 4).....	756,010	1,124	36,616	793,750
Cash and cash equivalents - end of year (note 4).....	<u>\$ 746,486</u>	<u>\$ 4,517</u>	<u>\$ 31,624</u>	<u>\$ 782,627</u>

Noncash investing, capital and financing activities:

During FY 1992-93, the Airport and Clean Water defeased bonds with a face value of \$592 million with advance refunding issues of \$611 million (note 7).

During FY 1992-93, the Airport and General Hospital entered into capital lease agreements for equipment totaling \$1.6 million.

See accompanying notes to combined financial statements

CITY AND COUNTY OF SAN FRANCISCO
NOTES TO COMBINED FINANCIAL STATEMENTS

June 30, 1993

(1) Definition of Reporting Entity

San Francisco is a city and county chartered by the State of California, and a such can exercise the powers as both a city and a county under state law.

The City and County of San Francisco (the City) has defined its reporting entity in accordance with the Governmental Accounting Standards Board's (GASB) *Codifications of Governmental Accounting and Financial Reporting Standards*, Section 2100, which sets forth the scope of public service and the exercise of oversight responsibility of a government's elected officials as the basic criteria for inclusion of a governmental unit in a governmental reporting entity, i.e., the City's ability to significantly influence operations, select the governing authority, designate management, and participate in fiscal management. Sections 2100 and 2600 set forth criteria to be used in determining how individual governmental unit data should be presented by the component units of the reporting entity.

The combined financial statements present financial information on activities of the City for which the Mayor and the Board of Supervisors have oversight responsibility, and include: the operations of the Office of the Controller; the enterprise operations of the San Francisco International Airport, the San Francisco General Hospital Medical Center, the Laguna Honda Hospital, the Port of San Francisco, the Clean Water Program, the Water Department/Hetch Hetchy Project, and the Municipal Railway and Municipal Railway Improvement Corporation; the operations of ten nonprofit corporations associated with the City; the operations of the San Francisco Redevelopment Agency and its Financing Authority; and the operations of the Employees' Retirement System and Health Service System. The operations of the San Francisco County Transportation Authority is included because the Board of Supervisors serve as the Commissioners for the Authority, and there is strong financial interdependency between the City and the Authority. Long-term leases between the oversight unit and component units for facilities and equipment financed by lease revenue bonds are eliminated in the combined financial statements.

The City's combined financial statements, except for certain cash held by the City as an agent, do not reflect operations of the San Francisco Housing Authority, Private Industry Council of San Francisco, San Francisco Unified School District and San Francisco Community College District. The Housing Authority is not included as a component unit because it is not within the oversight responsibility of the City; it is not included under the City Charter, it is not subject to the financial controls of the Controller or the budgetary controls of the Mayor and the Board of Supervisors except in a review capacity, and there is minimal financial interdependency. The Private Industry Council of San Francisco is not included as a component unit because it is not within the oversight responsibility of the City; it is not included under the City Charter, it is not subject to the financial controls of the Controller or the budgetary controls of the Mayor and the Board of Supervisors except in a review capacity, and there is minimal financial interdependency. The School and the Community College Districts are not included because they have their own elected governing boards and are independent of the City as to fiscal accountability and financial affairs, although the City issues bonds on their behalf for which the School and College Districts assume the obligation.

(2) Summary of Significant Accounting Policies

The more significant accounting policies of the City are described in the following sections.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS - (Continued)

(a) *Basis of Presentation-- Fund Accounting*

The accounts of the City are organized on the basis of funds or account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. The various funds are summarized by type in the financial statements. Fund types and account groups used by the City are described in the following sections.

Governmental Fund Types

General Fund--The General Fund, the general operating fund of the City, accounts for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds--Special Revenue Funds account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

Debt Service Funds--Debt Service Funds account for the accumulation of resources for, and the payment of, long-term obligation principal, interest and related costs.

Capital Projects Funds--Capital Projects Funds account for financial resources used for the acquisition or construction of major capital facilities (other than those financed in the proprietary fund types).

Proprietary Fund Types

Enterprise Fund Types--Enterprise Funds account for operations (a) that are financed and operated in a manner similar to private business enterprises--where the intent of the Board of Supervisors is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or (b) where the Board of Supervisors has decided that periodic determination of revenues earned, expenses incurred, and net income or loss is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Internal Service Funds--Internal Service Funds account for the financing of goods or services provided by one department or agency to other departments or agencies of the City or other governmental units on a cost reimbursement basis.

Fiduciary Fund Types

Trust and Agency Funds--Trust and Agency Funds account for assets held by the City as a trustee or as an agent for individuals, private organizations, other governmental units and/or other funds. These include the pension trust fund (Employees' Retirement System), nonexpendable trust fund (Health Service System), expendable trust funds and agency funds.

Account Groups

General Fixed Assets Account Group--The General Fixed Assets Account Group accounts for the fixed assets of the City, other than those accounted for in the proprietary fund types.

General Long-Term Obligations Account Group--The General Long-Term Obligations Account Group accounts for all long-term obligations of the City, including claim liabilities, workers' compensation liabilities and vested vacation and sick leave pay, except those accounted for in the proprietary fund types.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS - (Continued)

(b) Basis of Accounting

The modified accrual basis of accounting is followed in the governmental fund types and expendable trust and agency funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e. both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

Expenditures, other than interest and principal on long-term obligations that are recorded when paid, are recorded when they are expected to be liquidated with expendable available resources.

Intergovernmental revenues (primarily grants and subventions), which are received as reimbursement for specific purposes or projects, are recognized based upon the expenditures recorded. Intergovernmental revenues which are virtually unrestricted as to purpose of expenditure and revocable only for failure to meet prescribed compliance requirements are reflected as revenues at the time of receipt or earlier if they meet the availability criterion.

The City collects an annual taxpayer-assessed business tax based either on gross receipts or on payroll for each calendar year. The City bills taxpayers each June for one-half of the previous year's actual taxes. This amount is due on July 1 and delinquent after July 31. The remaining amount is due January 1 and is delinquent after February 28. The City accrues as revenues the amount of June billing expected to be collected within 60 days of the end of its fiscal year, which is a significant portion of the amount billed.

Licenses, fines and penalties and other revenues are recorded as revenues when received in cash because they are generally not measurable until actually received.

Investment earnings are accrued since they are measurable and available.

See note 5 for the City's property tax accrual policy.

The accrual basis of accounting is utilized in the proprietary fund types and pension trust and nonexpendable trust funds. Water and power services furnished to customers are recognized as revenue when earned.

(c) Measurement Focus

All governmental fund types are accounted for on a spending or funds flow measurement focus. Only current assets and current liabilities are generally included on their balance sheets. Resources not available to finance expenditures or commitments of the current period are recognized as deferred revenue. Claim liabilities, workers' compensation liabilities and vested vacation and sick leave pay which are estimated to be payable within the next year, are recorded in the governmental fund types; remaining amounts are shown in the General Long-Term Obligations Account Group.

All proprietary fund types are accounted for on a capital maintenance measurement focus based upon net income, financial position and cash flows in a manner similar to a commercial enterprise.

Operations of the pension trust and nonexpendable trust funds are accounted for in the same manner as the proprietary fund types. Operations of expendable trust funds are accounted for in essentially the same manner as governmental funds. Agency funds are custodial in nature and do not involve measurement of results of operations.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS - (Continued)

(d) *Budgetary Data*

The budget of the City is a detailed operating plan which identifies estimated costs and results in relation to estimated revenues. The budget includes (1) the programs, projects, services, and activities to be provided during the fiscal year, (2) the estimated revenue available to finance the operating plan, and (3) the estimated spending requirements of the operating plan. The budget represents a process through which policy decisions are made, implemented, and controlled. The City Charter prohibits expending funds for which there is no legal appropriation.

The following procedures establish the budgetary data reflected in the financial statements:

Original Budget

- (1) The Mayor conducts hearings to obtain public comment on the proposed annual budget.
- (2) Prior to June 1, the Mayor submits the proposed budget to the Board of Supervisors. The Board then adopts an interim budget.
- (3) The Board of Supervisors conducts hearings to obtain public comment on the budget.
- (4) Prior to September 15, the Board of Supervisors finalizes the annual budget through passage of the Annual Appropriation Ordinance, the legal authority for enactment of the budget.

Subsequent to the adoption of the 1992-93 budget, the State finalized its budget and legislated additional revenue curtailments to the City of approximately \$65 million. A revised budget was proposed, including one-time revenue sources of \$32.2 million.

Revised Budget

The revised budgetary data presented in the financial statements reflects the following changes to the original budget:

- (1) Certain annual appropriations are budgeted on a project or program basis. If such projects or programs are not completed at the end of the fiscal year, unexpended appropriations are carried forward to the following year. In certain circumstances, other programs and regular annual appropriations may be carried forward after approval by the Controller, Mayor and Board of Supervisors. Annually appropriated funds, not authorized to be carried forward, lapse at the end of the fiscal year. Appropriations carried forward from the prior year are included in the revised budgetary data. Appropriations carried forward to the subsequent year are excluded. Historically, appropriations carried forward have ultimately resulted in expenditures.
- (2) Appropriations may be adjusted during the year with the approval of the Mayor and Board of Supervisors. Additionally, the Controller is authorized to make transfers of excess appropriations within a department. Such adjustments are reflected in the revised budgetary data.

The Annual Appropriation Ordinance adopts the budget at the character level of expenditure within departments. As described above, the Controller is authorized to make transfers of excess appropriations within departments. Accordingly, the lowest level of budgetary control by the Board of Supervisors is the department level.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS - (Continued)

Budgetary data, as revised, are presented in the financial statements for the General Fund and certain Special Revenue Funds. Federal and state grant Special Revenue Funds and certain projects are budgeted by the Mayor and Board of Supervisors over the term of the individual grant or project; Capital Projects Funds are also budgeted over the life of the project. Since these funds are not budgeted on an annual basis, they are not included in the budgetary data.

(e) *Encumbrances*

Encumbrance accounting, under which purchase orders, contracts and other commitments for expenditure of funds are recorded to reserve that portion of the applicable appropriation, is employed in the governmental fund types and expendable trust funds as a significant aspect of budgetary control. Encumbrances are reported as reservations of fund balances because they do not constitute expenditures or liabilities. Encumbrances are combined with expenditures for budgetary comparison purposes (note 3).

(f) *Deposits and Investments*

The City follows the practices of pooling deposits and investments of most funds with the City Treasurer except for restricted funds generally held on behalf of enterprise funds or the General Fund's reserve for cash requirements, investments of the Employees' Retirement System held by trustees, deposits and investments of the Redevelopment Agency and certain nonprofit corporation funds, and imprest funds (note 4). The method of allocating interest earned on pooled deposits and investments among governmental fund types provides that, unless otherwise restricted, all interest is credited to the General Fund.

Deposits and investments are stated at cost or amortized cost, except for assets of the deferred compensation plans which are presented at market value.

The Treasurer holds deposits of the School and Community College Districts as part of the City's pooled funds. The deposits held for these districts are included in agency funds.

(g) *Inventory*

Inventory is generally valued at average cost. Inventory in the General Fund and Special Revenue Funds consists of expendable supplies held for consumption. The consumption method is used for these governmental funds with cost recorded as an expenditure at the time an individual inventory item is used. A reserve equal to the amount of inventory indicates that a portion of the fund balance is not available for future appropriation.

(h) *Interfund Transfers*

Interfund transfers are generally recorded as operating transfers in (out) except for the following types of transactions:

- (1) Charges for services, which are recorded as revenues of the performing fund and expenditures of the requesting fund. Unbilled costs are recognized as Receivables-Charges for Services at the end of the fiscal year.
- (2) Reimbursements for services performed, which are recorded as a reduction of an expenditure in the performing fund, and an expenditure of the requesting fund.
- (3) Residual equity transfers.

NOTES TO COMBINED FINANCIAL STATEMENTS - (Continued)

During FY 1992-93, a residual equity transfer of approximately \$1.0 million was made between the General Hospital's accumulated deficit fund balance with its donor-restricted trust fund which is presented as liabilities payable from restricted assets in the accompanying combined balance sheet.

(i) *General Fixed Assets*

General fixed assets are those acquired for general governmental purposes. Such assets currently purchased or constructed are recorded as expenditures in the governmental fund types and capitalized at cost in the General Fixed Assets Account Group. Contributed fixed assets are recorded at fair market value at the time received. Certain assets for which actual costs are not available have been valued on the basis of a professional valuation that determined their approximate historical cost.

The City's infrastructure, which consists of certain non-enterprise improvements that have not been capitalized, is not included in the General Fixed Assets Account Group. Examples are roads, curbs and gutters, streets and sidewalks and lighting systems. Such assets are normally immovable and of value only to the City.

No depreciation is provided on general fixed assets.

(j) *Fixed Assets--Proprietary Fund Types*

Fixed assets of the proprietary fund types are stated at cost or estimated historical cost. Depreciation has been provided over estimated useful lives using the straight-line method. Depreciation related to certain fixed assets purchased with externally restricted sources is closed to the contributed capital accounts on an annual basis.

The net amount of interest expense on borrowing for capital projects and interest earnings on unspent proceeds is capitalized during the construction period on projects of the San Francisco Airport, the Port of San Francisco, the Water Department/Hetch Hetchy Project and the Clean Water Program. Net interest capitalized during the fiscal year decreased construction in progress and reduced interest income by approximately \$10.3 million.

(k) *Fund Equity*

Reservations of fund balances of the governmental fund types and the fiduciary fund type indicate that portion of fund equity which is not appropriable for expenditure or is legally segregated for a specific future use. The amount reserved by the Charter for emergencies may be appropriated only by a vote of three-fourths of the Board of Supervisors. The Charter also provides for a cash requirements reserve to meet potential short-term working capital needs.

Reservations of fund balance for inventory type assets not available for appropriation include reservations made for inventory and other assets not expected to be available for appropriation in the following year. Changes in inventory and similar assets are reported as changes in fund equity.

Fund balance amounts reserved for subsequent years' budgets have been legally set aside by Board of Supervisors' ordinance, but actual expenditure requires a subsequent specific appropriation.

Capital grants from external sources are recognized as contributed capital in proprietary funds at the time reimbursable expenditures related to grants are incurred.

Reservation of retained earnings of internal service funds recognizes contractual and other commitments which are not properly accruable, but represent future obligations of retained earnings.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS - (Continued)

(l) *Accrued Vacation and Sick Leave Pay*

Vacation pay, which may be accumulated up to ten weeks depending on an employee's length of service, is payable upon termination.

Sick leave may be accumulated up to six months. Unused amounts, accumulated prior to December 6, 1978, are vested and are payable upon termination of employment by retirement, disability caused by industrial accident or death. Sick leave earned subsequent to that date is nonvesting and, hence, is not a liability.

Vested vacation and sick leave pay is accrued for all fund types. Amounts expected to be payable within the next year, which are estimated based on historical information, are accrued in the governmental fund types and the remainder is recorded in the General Long-Term Obligations Account Group. Proprietary funds record both current and non-current amounts in their liabilities.

(m) *Redevelopment Agency Property*

The Redevelopment Agency charges capital outlay for the full cost of developing and administering its projects. Property held for resale, which is considered to be inventory, is recorded as an asset in the Capital Projects Fund at the lower of cost or estimated conveyance value. A reserve equal to the amount of inventory indicates that a portion of fund balance is not available for future appropriation.

Estimated conveyance value is management's estimate of net realizable value of a property based on current intended use.

Property which has been or is intended to be leased on a long-term basis is recorded in the General Fixed Assets Account Group. South Beach Harbor fixed assets are included in an enterprise fund.

(n) *Loans Receivable*

Special Revenue and Capital Projects Funds expenditures relating to long-term loans arising from loan subsidy programs are charged to operations upon funding. Long term loans receivable are recorded with an offset to a deferred credit account.

On June 30, 1993, the City issued a Tax Revenue Anticipation Note to the San Francisco Transportation Authority (SFTA) in the amount of \$35 million. The interest rate on the note was equal to the interest yield of the City's pooled investments for the month immediately preceding the maturity date of the note.

(o) *Cash Flows*

Cash and cash equivalents include all unrestricted and restricted highly liquid investments with original purchase maturities of three months or less. Pooled cash and investments in the City's Treasury represent monies in a cash management pool and such accounts are similar in nature to demand deposits.

In prior years, restricted assets were excluded from the definition of cash equivalents. The new definition was adopted to improve disclosure of activities affecting cash flows.

(p) *Total (Memorandum Only) Columns on Combined Statements*

Total columns on the combined statements are for overview information only. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles, nor are such data comparable to a consolidation. Eliminations of interfund activity have been made within fund types but not between fund types.

NOTES TO COMBINED FINANCIAL STATEMENTS - (Continued)

(3) *Budgetary Results Reconciled to Results in Accordance with Generally Accepted Accounting Principles and Fiscal Environment*

Budgetary Results Reconciliation

The budgetary process is based upon accounting for certain transactions on a basis other than generally accepted accounting principles (GAAP basis). The results of operations are presented in the budget-to-actual comparison statement in accordance with the budgetary process (Budget basis) to provide a meaningful comparison with the budget.

The major differences between the Budget basis "actual" and GAAP basis are as follows:

(a) Basis differences

Certain accruals (primarily claims and judgments, accrued vacation and sick leave pay and workers' compensation liability) are excluded from the Budget basis financial statement because such amounts are budgeted on a cash basis.

Inventory type assets not available for appropriation (such as supplies inventory) are excluded from the Budget basis fund balance because such amounts are considered to be expended.

(b) Timing differences

Encumbrances are recognized as the equivalent of expenditures in the budgetary financial statement, while encumbered amounts are not recognized on the GAAP basis until recorded as actual expenditures.

Revenues budgeted in prior years, which did not become susceptible to accrual until the current year, and adjustments to prior year encumbrances are recognized on the Budget basis as adjustments to beginning fund balance. Such revenues are recognized currently on the GAAP basis. Adjustments to prior year encumbrances do not affect the GAAP basis.

On June 30, 1993, the General Fund was advanced \$25 million from future Airport concessionaire revenue to be transferred to the General Fund. The advance was recognized as revenue on a budget basis during FY 1992-93 but will be recognized as revenue on a GAAP basis over the next seven years as the concessionaire revenue is earned. (Note 9 (a)).

(c) Entity difference

Nonannually budgeted funds (such as certain grant funds) are excluded from the Budget basis financial statement because a comparison of such budgetary amounts to annual revenues and expenditures is not meaningful.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS - (Continued)

The results of "actual" operations on a Budget basis are reconciled to the results of operations on a GAAP basis as follows (in thousands):

	<u>General Fund</u>	<u>Special Revenue Funds</u>
Excess of revenues and other sources over expenditures, encumbrances and other uses-Budget basis.....	\$ 12,620	\$ 6,632
Accruals included in Budget basis.....	1,875	-
Accruals excluded from Budget basis.....	45	1,982
Advance included as revenue in Budget basis.....	(25,000)	(1,760)
Increase in current year's encumbrances.....	9,293	3,079
Expenditures which were encumbered in prior years.....	(6,448)	(2,129)
Use of contingency reserve.....	(3,615)	(39)
Nonannually budgeted funds, net.....	-	31,503
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses-GAAP basis.....	<u>\$ (11,230)</u>	<u>\$ 39,268</u>

The fund balances on a Budget basis are reconciled to the fund balances on a GAAP basis as follows (in thousands):

	<u>General Fund</u>	<u>Special Revenue Funds</u>
Fund balance, June 30, 1993-Budget basis.....	\$ 75,752	\$ 98,486
Expenditure accruals excluded from Budget basis.....	(70,522)	-
Revenue accruals included in Budget basis.....	(6,744)	-
Advance included as revenue in Budget basis.....	(25,000)	-
Inventory type assets not available for appropriation.....	2,277	4,517
Encumbrances, June 30, 1993.....	17,008	10,390
Fund balances of nonannually budgeted funds.....	-	127,989
Fund balance, June 30, 1993-GAAP basis.....	<u>\$ (7,229)</u>	<u>\$ 241,382</u>

General Fund Budget basis fund balance at June 30, 1993 is composed of the following (in thousands):

Reserved by charter for cash requirements.....	\$57,045
Reserved by charter for emergencies.....	4,498
Reserved for appropriation carryforward.....	5,330
Reserved for subsequent years' budgets.....	5,222
Not available for appropriation.....	72,095
Controller's set aside for contingencies and prior year expenditures.....	3,015
Available for appropriation.....	642
Unreserved amounts.....	3,657
Fund balance, June 30, 1993-Budget basis.....	<u>\$75,752</u>

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS - (Continued)

Amounts reserved for subsequent years' budgets are amounts which have been legally set aside pursuant to ordinance passed by the Board, but which require appropriation for specific items before they may be expended. The primary component of fund balance reserved for subsequent years' budgets at June 30, 1993 was \$2.9 million reserved for litigation.

Fiscal Environment

San Francisco's economy has been impacted by the effects of the national recession. The City succeeded in balancing FY 1992-93 general fund operations in part through including in the budget approximately \$65 million in non-recurring revenue sources. The ending GAAP basis undesignated fund deficit increased \$20.1 million from \$(78.5) million at June 30, 1992 to \$(98.6) million at June 30, 1993.

The FY 1993-94 budget is balanced but continues to reflect a challenging fiscal environment. Actual budget basis General Fund revenues decreased 0.7% from FY 1991-92 to FY 1992-93. An additional \$83 million in property tax revenue has been shifted to the schools in the FY 1993-94 budget in accordance with State of California action. Continued weakness in the California economy is anticipated at least through FY 1995-96. Even with increases to certain tax and rate structures and the passage of Proposition 172 making an existing one-half percent sales tax permanent for funding public safety services, General Fund revenues in FY 1993-94 are projected to decline 2.9% from actual FY 1992-93 revenues.

The City is continuing to monitor budgetary projections closely and is committed to making budgetary modifications in the event the City incurs unanticipated expenditures or revenue shortfalls over the remainder of FY 1993-94.

(4) Deposits and Investments

The City's deposits and investments are invested pursuant to investment policy guidelines established by the City Treasurer. The objectives of the policy are, in order of priority, preservation of capital, liquidity, and yield. The policy addresses the soundness of financial institutions in which the City will deposit funds, types of investment instruments as permitted by the California Government Code, and the percentage of the portfolio which may be invested in certain instruments with longer terms to maturity. Investments permitted by the City's investment policy are obligations of the U.S. government, commercial paper rated no lower than A-1 by Standard and Poor's Corporation or P-1 by Moody's Investors Services Inc., bankers' acceptances, negotiable certificates of deposit, and repurchase or reverse repurchase agreements. Investments during the year did not include repurchase or reverse repurchase agreements. The Redevelopment Agency invests in repurchase agreements, but not in reverse repurchase agreements.

Other deposits and investments maintained outside the City Treasury are invested pursuant to governing bond covenants or California Government Code provisions. A substantial portion of these investments are assets of the Employees' Retirement System. The Charter authorized the Employees' Retirement System to invest in corporate equity and debt securities and to make other investments as approved by the Retirement Board. In addition, through September, 1993 City ordinances, with limited exceptions, prohibited deposits and investments with financial institutions having specified relations with either the government of South Africa or certain private entities doing business with or in South Africa.

Total City deposits and investments are as follows (in thousands):

Deposits and investments.....	\$1,277,367
Investments with trustee.....	5,735,131
Restricted assets:	
Deposits and investments.....	515,758
Investments with trustee.....	228,920
	<u>\$7,757,176</u>

CITY AND COUNTY OF SAN FRANCISCO
NOTES TO COMBINED FINANCIAL STATEMENTS - (Continued)

Cash and Deposits

The City had cash and deposits at June 30, 1993 as follows (in thousands):

<u>Cash and Deposits</u>	<u>Carrying Amount</u>	<u>Bank Balance</u>
Cash on hand.....	\$ 1,380	\$ -
Deposits in transit.....	4,265	-
Federally insured and collateralized deposits*	(34,694)	63,441
	<u>\$ (29,049)</u>	<u>\$ 63,441</u>

*Under the City's cash management policy, as warrants are presented for payment, investments are converted to cash.

The California Government Code requires California banks and savings and loan associations to secure the City's deposits not covered by Federal deposit insurance by pledging government securities as collateral. The market value of pledged securities must equal at least 110% of the City's deposits. The collateral must be held at the pledging bank's trust department or other bank, acting as the pledging bank's agent, in the City's name. Of the bank balance in financial institutions, \$2,260 was covered by Federal depository insurance. Of the remaining uninsured balance, \$59,229 was collateralized as described above. The remaining balance was uninsured and uncollateralized.

Investments

Investments of the City are summarized below. The investments that are represented by specific identifiable investment securities are classified as to credit risk by three categories as follows: Category 1 includes investments that are insured or registered or securities held by the City or its agent in the City's name; Category 2 includes uninsured and unregistered investments, with the securities held by counterparty's trust department or agent in the City's name; Category 3 includes uninsured and unregistered investments, with the securities held by the counterparty, or by its trust department or agent but not in the City's name.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS - (Continued)

At June 30, 1993 investments included the following (in thousands):

Type of Investment	Category			Carrying Amount	Market Value
	1	2	3		
Investments in City Treasury:					
Commercial paper.....	\$ 21,940	\$ -	44,696	\$ 66,636	\$ 66,636
U.S. government securities.....	1,015,681	-	602,284	1,617,965	1,678,220
Bankers' acceptances.....	81,992	-	-	81,992	81,986
	<u>1,119,613</u>	<u>-</u>	<u>646,980</u>	<u>1,766,593</u>	<u>1,826,842</u>
Employees' Retirement System:					
Commercial paper.....	-	-	4,961	4,961	4,961
U.S. government securities.....	1,517,002	-	35,736	1,552,738	1,692,875
Other Debt Securities.....	1,389,013	-	68,181	1,457,194	1,550,051
Common stock.....	1,576,637	-	1,565	1,578,202	2,001,302
	<u>4,482,652</u>	<u>-</u>	<u>110,443</u>	<u>4,593,095</u>	<u>5,249,189</u>
Other Funds:					
Commercial paper.....	-	13,802	4,447	18,249	18,383
U.S. government securities.....	136,204	57,222	90,570	283,996	291,118
Repurchase agreements.....	-	-	4,186	4,186	4,186
Bankers' Acceptances.....	-	19,001	-	19,001	19,099
Other.....	9,041	10,272	10,942	30,255	30,215
	<u>145,245</u>	<u>100,297</u>	<u>110,145</u>	<u>355,687</u>	<u>363,001</u>
	<u>\$ 5,747,510</u>	<u>\$ 100,297</u>	<u>\$ 867,568</u>	<u>\$ 6,715,375</u>	<u>\$7,439,032</u>
Real estate limited partnerships.....				301,589	276,613
Venture capital.....				78,830	79,246
Mutual funds.....				690,431	690,431
Total Investments.....				<u>\$ 7,786,225</u>	<u>\$8,485,322</u>

Investments in the City Treasury which are identified as Category 3 above represent U.S. government securities and commercial paper held in the safekeeping department of a major financial institution in the City's name.

Market value fluctuates with interest rates, and increasing rates could cause market value to decline below carrying value. City management believes the liquidity in the portfolio is more than adequate to meet cash flow requirements and to preclude the City from having to sell investments below carrying value for that purpose.

The City Treasury's investments have a market value of \$60.2 million (3.4%) above carrying value at June 30, 1993. The earned yield, which includes net gains on investments sold, on all investments held by the City Treasurer for FY 1992-93 was 6.3%.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS - (CONTINUED)

Cash and Cash Equivalents

Included in cash and cash equivalents in the combined statement of cash flows are the following:

Fund	Beginning of Year			End of Year		
	Deposits and Investments	Restricted Deposits and Investments	Totals	Deposits and Investments	Restricted Deposits and Investments	Totals
Enterprise	\$ 344,409	\$ 411,601	\$ 756,010	\$ 262,233	\$ 484,253	\$ 746,486
Internal Service	1,124	-	1,124	4,517	-	4,517
Non-expendable Trust	36,616	-	36,616	31,624	-	31,624
Totals	<u>\$ 382,149</u>	<u>\$ 411,601</u>	<u>\$ 793,750</u>	<u>\$ 298,374</u>	<u>\$ 484,253</u>	<u>\$ 782,627</u>

General Fund Deposits and Investments

On June 30, 1993 the City has classified negative cash balances in certain enterprise funds as a reduction of General Fund deposits and investments. This reclassification resulted in a corresponding increase of \$109.5 million in amounts due to the General Fund from the affected enterprise funds. In addition, as a result of an advance from the San Francisco International Airport for \$25 million at June 30, 1993 and a \$35 million tax revenue anticipation note from the San Francisco Transportation Authority, deposits and investments and deferred credits increased \$60 million.

(5) Property Taxes

The City is responsible for assessing, collecting and distributing property taxes in accordance with enabling state law. Property taxes are levied on both real and personal property. Liens for secured property taxes attach on March 1st preceding the fiscal year for which taxes are levied. Secured property taxes are levied on the first business day of September and are payable in two equal installments: the first is due on November 1st and delinquent with penalties after December 10th; the second is due February 1st and delinquent with penalties after April 10th. Secured property taxes which are delinquent and unpaid as of June 30th are sold to the State and are subject to redemption penalties, costs, and interest when paid. If not paid at the end of five years, the property is sold at public auction and the proceeds are used to pay delinquent amounts due. Any excess is remitted, if claimed, to the taxpayer. Unsecured personal property taxes are not a lien on real property. Those taxes are due on March 1st and become delinquent with penalties after August 31st. Supplemental property tax assessments associated with changes in the assessed valuation due to transfer of ownership in property or upon completion of new construction are levied in two equal installments and have variable due dates based on the dates of the underlying transaction.

Since the passage of California's Proposition 13, beginning with fiscal year 1978-79, general property taxes are based either on a flat 1% rate applied to the 1975-76 full value of the property or on 1% of the sales price of the property on sales transactions or construction value added after the 1975-76 valuation. Taxable values on properties (exclusive of increases related to sales and construction) can rise at a maximum of 2% per year. The increase for 1992-93 was 2%.

The Proposition 13 limitations on general property taxes do not limit taxes levied to pay the interest and redemption charges on any indebtedness approved by the voters prior to June 6, 1978 (the date of passage of Proposition 13). Proposition 13 was amended in 1986 to allow property taxes in excess of the 1% limit to fund general

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS - (Continued)

obligation bond debt service when such bonds are approved by two-thirds of the local voters. These taxes and related subventions for debt service amounted to approximately \$64.9 million for the year ended June 30, 1993, including interest and redemption charges for general obligation bonds of the Water Department/Hetch Hetchy Project of \$2.0 million. A like amount was transferred from the Water Department/Hetch Hetchy Project to the General Fund, as authorized by the voters in 1979.

Net taxable valuation for the year ended June 30, 1993 was approximately \$52.6 billion, an increase of 1.7% over the previous year. The tax rate was \$1.15 per \$100 of valuation (\$0.90 for general government, including the state property tax shift of \$0.10 to the San Francisco Unified School District and the San Francisco Community College District \$0.13 for schools, Bay Area Rapid Transit District (note 7), and Bay Area Air Quality Management District; and \$0.12 for the City's bond interest and redemption charges). Delinquencies for the year amounted to 3.2%.

(6) Fixed Assets*Governmental Funds*

A summary of changes in general fixed assets acquired through governmental funds follows (in thousands):

	Balance July 1, 1992	Additions	Transfers In/(Out)	Retirements	Balance June 30, 1993
Land	\$ 80,952	\$ 303	-	\$ -	\$ 81,255
Facilities and improvements.....	882,790	9,143	20,795	-	912,728
Machinery and equipment.....	180,205	29,737	-	-	209,942
Construction in progress.....	153,149	123,881	(20,795)	-	256,235
Property held for lease.....	30,401	-	-	-	30,401
	<u>\$1,327,497</u>	<u>\$163,064</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$1,490,561</u>

Fixed assets with original acquisition cost of \$8.6 million are being acquired through capitalized leases. The remaining principal due on the leases is \$3.5 million (notes 7 and 12d).

Proprietary Funds

A summary of proprietary fund type fixed assets at June 30, 1993 follows (in thousands):

	Enterprise	Internal Service
Land.....	\$ 174,468	\$ -
Facilities and improvements.....	3,348,786	920
Machinery and equipment.....	<u>460,239</u>	<u>15,831</u>
	3,983,493	16,751
Less accumulated depreciation.....	<u>1,349,761</u>	<u>14,276</u>
	2,633,732	2,475
Construction in progress.....	<u>511,177</u>	-
	<u>\$ 3,144,909</u>	<u>\$ 2,475</u>

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS - (Continued)

Useful lives of machinery and equipment are generally estimated to be 3 to 30 years, except for certain Laguna Honda Hospital equipment which have an estimated useful life of up to 40 years. Facilities and improvements are generally estimated to have useful lives from 5 to 50 years. Facilities and improvements include utility type assets of the Water Department/Hetch Hetchy Project, the Clean Water Program, the Muni Railway and the Port of San Francisco, totaling \$1,006 million with lives from 51 to 100 years. These long-lived assets include reservoirs and aqueducts of the Water Department/Hetch Hetchy Project.

(7) Long-Term Obligations

The following is a summary of changes in General Long-Term Obligations for the year ended June 30, 1993 (in thousands):

	July 1, 1992	Additional Obligations and Interest Accretion	Current Maturities, Retirements, and net Decreases	June 30, 1993
Bonds payable.....	\$ 983,961	\$157,355	\$42,520	\$ 1,098,796
Certificates of participation.....	17,833	12,813	290	30,356
Loans payable.....	364	-	16	348
Capital leases payable (note 12).....	4,305	-	813	3,492
Estimated claims payable (note 12).....	25,933	15,000	-	40,933
Workers' compensation liability (note 12).....	59,389	-	-	59,389
Accrued vacation and sick leave pay.....	44,356	-	73	44,283
	<u>\$1,136,141</u>	<u>\$185,168</u>	<u>\$43,712</u>	<u>\$1,277,597</u>

As of June 30, 1992 the City's remaining portions of general obligation bonds, authorized but unissued, totaled \$326.9 million. During the current fiscal year the City authorized \$390.8 million and issued \$105 million general obligation bonds from various authorized series. As of June 30, 1993, \$612.7 million authorized but unissued bonds remained.

The City and County of San Francisco Finance Corporation was authorized at the June 5, 1990 election to issue lease revenue bonds up to \$20.0 million, plus 5% increase per fiscal year. The amount authorized as of June 30, 1993 was \$23.1 million. During the current fiscal year it sold \$10.2 million of the amount authorized. As of June 30, 1993, the total amount issued to date was \$22.7 million and outstanding was \$19.2 million. The proceeds are used to finance equipment purchases for City departments.

During FY 1992-93, the City issued \$12.5 million of certificates of participation which provided the funds to purchase a building for use primarily as office facilities for various City departments.

During the year, the Redevelopment Agency (the Agency) and the Redevelopment Financing Authority (the Authority) sold \$31.8 million in tax allocation revenue bonds notes (note 10). Additionally, bonds payable increased by \$10.3 million due to interest accretion on various Agency and Redevelopment Financing Authority capital appreciation and term gain bonds.

On February 1, 1992, the Agency issued \$100.3 million in Moscone Convention Center Lease Revenue Bonds (1992 Series Bonds) with an average interest rate of 6.05%. These bonds were issued to provide funds for a crossover refunding of the Moscone Convention Center Lease Revenue 1988 Series bonds (1988 Series bonds) with an average interest rate of 8.48% on July 1, 2003 and July 1, 2004 (crossover date). Net proceeds of \$85.4 million (after payment of underwriting fees, insurance, other issuance costs, approximately \$11.6 million in original issue

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS - (Continued)

discount, \$3.3 million of proceeds remitted to the City for use in General Construction Fund, and approximately \$252,000 used to pay the first interest payment on the 1992 Series bonds) were used to purchase U.S. government securities with the exception of \$3 million being remitted directly to the Agency. Those securities were deposited in two irrevocable trust accounts with an escrow agent to provide debt service on the 1992 Series bonds until the crossover date and to provide for all future debt service payments on the 1988 Series bonds after the crossover date. As a result, the 1988 and 1992 Series bonds are outstanding as of June 30, 1993 and the 1988 Series bonds will not be considered defeased until the crossover date. In addition, escrowed investments of \$85.6 million are recorded by the Agency as cash and investments with trustee (restricted investments) in the Moscone Center Lease Revenue Bonds Debt Service Fund and as Amounts Available in Debt Service Funds, in the General Long-term Obligations Account Group.

The annual requirements to amortize all bonds, loans and capital leases outstanding as of June 30, 1993 are as follows: (in thousands):

Year Ending June 30	General Long-Term Obligations and Capital Leases	Enterprise	Internal Service	Total
1994.....	\$ 122,310	\$ 137,939	\$ 43	\$ 260,292
1995.....	110,674	135,957	36	246,667
1996.....	107,483	134,048	-	241,531
1997.....	102,871	133,202	-	236,073
1998.....	101,517	223,067	-	324,584
1999-2003.....	493,504	611,304	-	1,104,808
2004-2008.....	467,541	555,921	-	1,023,462
Thereafter.....	614,049	910,294	-	1,524,343
	<u>2,119,949</u>	<u>2,841,732</u>	<u>79</u>	<u>4,961,760</u>
Less amounts representing interest.....	986,957	1,268,238	12	2,255,207
Liability at June 30, 1993.....	<u>\$1,132,992</u>	<u>\$1,573,494</u>	<u>\$ 67</u>	<u>\$2,706,553</u>

It is not practicable to determine the specific year for payment of claims payable, workers' compensation liability or accrued vacation and sick leave pay.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS - (Continued)

General long-term obligations and enterprise obligations at June 30, 1993 comprise the following components (in thousands):

GENERAL LONG-TERM OBLIGATIONS

	Final Maturity Date	Remaining Interest Rates	Amount
FINANCING GENERAL OBLIGATION BONDS (a):			
Schools.....	2011	5.0 to 10.0%	\$ 85,692
Fire protection.....	2013	5.75 to 10.0%	59,250
Police facilities.....	2011	4.75 to 11.0%	24,857
Library facilities.....	2012	4.75 to 12.0%	102,190
Correctional facilities.....	2011	5.75 to 10.0%	15,540
Mental health facilities.....	2011	5.5 to 11.0%	24,157
Public safety improvements.....	2013	4.75 to 12.0%	212,959
Parks and playgrounds.....	2013	5.5 to 11.0%	25,252
Boulevards and roads.....	2004	4.0 to 11.0%	23,213
NON-PROFIT CORPORATION AND GARAGE LEASE REVENUE BONDS:			
San Francisco Finance Corporation (c).....	2000	3.25 to 6.0 %	19,240
San Francisco Stadium, Inc (Candlestick Park) (b).....	1999	5.0 to 5.25%	9,915
San Francisco Social Services Corporation (c).....	2003	6.25 to 7.75%	6,655
Moscone Convention Center Garage (c).....	2009	6.1 to 7.5 %	9,080
SAN FRANCISCO REDEVELOPMENT AGENCY AND FINANCING AUTHORITY:			
Lease Revenue Bonds:			
Moscone Convention Center (d).....	2018	4.8 to 8.5%	322,311
Yerba Buena Center Liquidity Facility Revenue Bonds (h).....	1993	Variable (2.97% at 6/30/93)	7,955
General Obligation Notes (e).....	2007	7.75%	30,000
Financing Authority Bonds:			
Tax allocation revenue bonds (f).....	2021	4.05 to 9.0%	120,530
OTHER LONG-TERM OBLIGATIONS:			
Certificates of Participation (g).....	2017	3.2% to 8.5%	30,356
Loans-State of California-Marina Development (g).....	2008	4.5%	348
Capital leases payable (c).....	1997	7.12 to 9.72%	3,492
Estimated claims payable (c).....			40,933
Workers' compensation liability (c).....			59,389
Accrued vacation and sick leave pay (c).....			44,283
Total General Long-Term Obligations.....			<u>\$1,277,597</u>

Debt service payment are made from the following sources:

- (a) Property tax recorded in the Debt Service Fund.
- (b) Hotel taxes and operating revenues recorded in the Candlestick Park Special Revenue Fund
- (c) General revenues recorded in the General Fund.
- (d) Hotel taxes and operating revenues recorded in the Convention Facilities Special Revenue Fund.
- (e) Proceeds from sales of specified Agency owned land parcels and future property tax increment revenue
- (f) Property taxes allocated to the Redevelopment Agency based on increased assessed valuations in project areas (note 10).
- (g) Operating revenues recorded in their respective Special Revenue fund.
- (h) Proceeds from the issuance of Financing Authority Taxable Tax Allocation Revenue Bonds on June 1, 1993.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS - (Continued)

ENTERPRISE OBLIGATIONS

	<u>Final Maturity Date</u>	<u>Remaining Interest Rates</u>	<u>Amount</u>
San Francisco International Airport:			
General Obligation.....	1994	5.3 to 6.0%	\$ 1,595
Revenue.....	2020	4.6 to 6.75%	495,626
Capital lease.....	1997	6.15 to 16.0%	646
Port of San Francisco:			
General Obligation:			
State of California.....	1999	2.5 to 4.85%	4,000
City and County of San Francisco.....	2005	4.5 to 6.3%	12,800
Revenue.....	2009	5.5 to 11.5%	48,930
Clean Water Program:			
General obligation.....	1999	4.0 to 6.0%	24,300
Revenue.....	2021	5.5 to 6.5%	491,605
State of California-Revolving fund loans.....	2012	3.0 to 3.5%	139,885
Municipal Railway/Municipal Railway Improvement Corporation:			
Revenue.....	1997	4.0 to 7.25%	7,410
Capital lease.....	1994	7.1 to 7.7%	120
Water Department/Hetch Hetchy Project:			
General obligation.....	2000	4.5 to 5.7%	8,725
Revenue.....	2020	5.0 to 8.5 %	280,429
Capital lease.....	1995	8.05 to 8.25%	471
San Francisco General Hospital:			
Capital lease.....	1996	4.4 to 12.8%	3,334
Laguna Honda Hospital:			
Capital lease.....	1999	8.14%	1,146
Nonprofit Parking Corporations:			
Uptown.....	1996	6.2 to 7.0%	1,160
Downtown.....	2018	4.7 to 6.65%	15,597
Western Addition.....	2000	3.7 to 4.75%	1,715
Ellis-O'Farrell.....	2017	Variable, 4.25 to 7.125%	6,600
Portsmouth Plaza.....	-	5.4 to 9.1%	500
San Francisco Redevelopment Agency:			
California Department of Boating and Waterway Loan....	2036	4.5%	8,000
South Beach Harbor.....	2016	Variable, (2.35% average for FY 1992-93)	18,900
Total Enterprise Obligations.....			<u>\$1,573,494</u>

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS - (Continued)

On September 15, 1992 the Airport adopted a supplemental resolution which provided for the issuance of San Francisco International Airport Second Series Refunding Bonds, Issue 2, 3 and 4:

Issue 2 Bonds: Issued on March 1 for \$107.37 million with an average interest rate of 6.55%. This issue refunded \$100.40 million of outstanding Series D Revenue Bonds.

Issue 3 Bonds: Issued on February 3, 1993 for \$92.1 million with an average interest rate of 5.4%. This issue refunded the \$90.8 million of outstanding Series E Bonds.

Issue 4 Bonds: Issued on February 3, 1993 for \$80.9 million with an average interest rate of 5.5%. This issue refunded the \$76.84 million of outstanding Series B Bonds.

Net proceeds of all three issuances plus additional monies from the refunded bonds were used to purchase United States Treasury Bills. All securities were deposited into irrevocable escrow funds and upon maturity provided sufficient proceeds to redeem all outstanding refunded bonds with premiums for all three issuances. Retirement premiums totaling \$5.0 million plus unamortized bond issue costs and discounts of \$7.12 million plus resulted in an accounting loss of \$12.14 million accounted for as an extraordinary loss in 1993. Additionally, the Airport increased its debt service payments by approximately \$11.6 million over the next 29 years. However, the Airport obtained a net economic gain of approximately \$41.7 million and eliminated all bonds and requirements under the 1973 Master Bond Resolution.

Certain of the Issues 2, 3, and 4 Bonds are subject to optional and mandatory redemption under certain conditions. All Bonds are secured by a pledge of, lien on, and security interest in net revenues of the Airport as defined in the bond indenture.

On August 4, 1992, the Board of Supervisors of the City adopted a resolution providing the issuance of the Sewer Revenue Refunding Bonds Series 1992 (the Refunding bonds) in the principal amount of \$331.01 million with interest rates varying from 5.5% to 6.0% maturing serially through October 1, 2015. The sale of the Refunding bonds closed on September 3, 1992. The net proceeds from issuance of the Refunding Bonds were used to purchase U.S. Government securities which were deposited in an irrevocable trust with an escrow agent. The advance refunding resulted in an accounting loss of \$32.7 million accounted for as an extraordinary loss. The economic gain on this refunding was \$2.0 million.

There are a number of limitations and restrictions contained in the various bond indentures. The City believes it is in compliance with all significant limitations and restrictions.

The primary collateral for the general obligation bonds is the ad valorem tax on property within the City (note 5).

Under U.S. Treasury Department regulations, all governmental tax exempt debt issued after August 31, 1986 is subject to arbitrage rebate requirements. The requirements stipulate, in general, the earnings from the investment of tax exempt bond proceeds that exceed related interest expenditures on the bonds must be remitted to the Federal government on every fifth anniversary of each bond issue. The City has evaluated each bond issue subject to the arbitrage rebate requirements and has deferred recognition of interest income of \$6.0 million to date. This arbitrage liability is recorded in deferred credits and other liabilities in the Capital Projects Fund.

At June 30, 1993, \$809.2 million of outstanding revenue bonds are considered defeased and have been removed from the balance sheet.

In order to facilitate affordable housing, the City has issued mortgage revenue bonds with an outstanding aggregate balance of \$141.4 million as of June 30, 1993. These obligations are secured by the related mortgage indebtedness and, in the opinion of management, are not obligations of the City. Similarly, the Redevelopment Agency has mortgage related debt with an aggregate outstanding balance of \$415 million at June 30, 1993, which are also not included in the accompanying financial statements.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS - (Continued)

The City is responsible for collecting property taxes to pay a portion of general obligation debt of other local governmental units that provide services within the City's boundaries, and which must be borne by properties in the City. The primary overlapping debt relates to the Bay Area Rapid Transit District (BART). City taxpayers are responsible for \$73.1 million, approximately 29.9% of BART debt, maturing serially through 1999.

(8) Employee Benefit Programs

(a) Retirement Plans

The City maintains a single-employer, defined benefit pension plan (Employees' Retirement System) which covers most of its employees and participates in the California Public Employees Retirement System, an agent multiple-employer, cost sharing public employee pension plan which covers certain employees in public safety functions, the Port, the Airport and the Redevelopment Agency.

Employees' Retirement System

Plan Description - The City has a defined benefit retirement plan (Plan) which is administered by the San Francisco Employees' Retirement System (the Retirement System). Substantially all full-time employees of the City participate in the Plan. The Plan provides basic service retirement, disability and death benefits based on specified percentages of defined monthly final average salary and provides cost-of-living adjustments after retirement. The Plan also provides disability benefits and death benefits to surviving spouses. The payroll for employees covered by the Retirement System for the year ended June 30, 1993 was \$1,036 million; the City's total payroll was \$1,166 million.

Police and fire department participants with 25 years of service who have attained age 50 are eligible for retirement benefits. Other participants with 20 years of service who have attained age 50 or those with 10 years of service who have attained age 60 are eligible for service retirement benefits.

In November 1991, the voters approved Proposition A, "The Early Retirement Program." Under the program, three years of age and three years of service were added when calculating the service retirement benefits for all Miscellaneous members who elected to retire during the period February 1, 1992 through March 30, 1992. Approximately 1,800 City and County employees retired under the program.

In November 1992, the voters approved Proposition F, "Retirement Allowance Increase." Under the program, Miscellaneous members who retired before July 2, 1991, will receive an increase of \$3 a month for each full year of retirement, up to a maximum of \$75 a month.

The types and numbers of employees covered and current membership is summarized as follows at June 30, 1992 (details relating to 1993 membership are not yet available):

	<u>Retirees</u>	<u>Beneficiaries</u>	<u>Total</u>
Retired employees			
Miscellaneous.....	11,665	2,199	13,864
Police.....	1,228	479	1,767
Fire.....	1,145	479	1,624
Total.....	<u>14,038</u>	<u>3,157</u>	<u>17,255</u>

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS - (Continued)

	<u>Vested</u>	<u>Nonvested</u>	<u>Total</u>
Active employees			
Miscellaneous.....	14,448	5,659	20,107
Police.....	1,580	230	1,810
Fire.....	1,140	278	1,418
Total.....	<u>17,168</u>	<u>6,167</u>	<u>23,335</u>

Funding Status and Progress - The amount shown below as "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and step-rate benefits, estimated to be payable in the future as a result of employee service to date. The measure is intended to help users assess the Retirement System's funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among employers. The measure is the actuarial present value of credited projected benefits and is independent of the funding method used to determine contributions to the Retirement System.

The pension benefit obligation was computed as part of an actuarial valuation performed as of June 30, 1992. Significant economic assumptions used in the actuarial valuation include: (1) annual rate of return on investment of 8%; (2) inflation element in wage increase of 5.5%; (3) salary merit increases ranging between 0.5% and 9% (based upon type of employee and years of service); and (4) postretirement benefit increase based on required annual cost-of-living adjustments which are a maximum of 2% per year for 75% of retirees and over 90% of active members. Remaining members may receive higher cost of living adjustments. The wage inflation assumption used in the June 30, 1992 actuarial valuation was decreased from 6% at June 30, 1991 to 5.5%. This change in actuarial assumption reduced the Plan's pension benefit obligation by \$210 million.

The unfunded pension benefit obligation applicable to the City's employees was \$306 million at June 30, 1992 and was calculated as follows (in thousands):

Pension benefit obligations:	
Retirees and beneficiaries currently receiving benefits.....	\$3,010,719
Current employees:	
Accumulated employee contributions.....	548,521
Employer-financed vested.....	1,575,761
Employer-financed nonvested.....	65,779
Total pension benefit obligation.....	5,200,780
Net assets available for benefits, at cost (market value of \$5,303,039).....	4,894,708
Unfunded pension benefit obligation.....	<u>\$ 306,072</u>

The Early Retirement Program and the Retirement Allowance Increase have increased the pension benefit obligation by \$99.2 million and \$37 million, respectively. Both increases have been reflected in the June 30, 1992 actuarial valuation.

Contribution Requirements and Contributions Made-A primary purpose of the actuarial valuation is to estimate the participant liabilities of the Retirement System so that contribution rates can be set to adequately fund the liability over the long term. The actuarial calculations are based on the entry age normal method with funding of the unfunded pension benefit obligation as a level percentage of payroll over the period ending June 30, 2000, as required by the City Charter. Additional liabilities generated by recent Charter amendments are amortized at the level or percentage of payroll over the 20-year period beginning with the year of amendment.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS - (Continued)

The significant actuarial assumptions used to compute the contribution requirements for the year ended June 30, 1993 are the same as those used to compute the pension benefit obligation at June 30, 1992. For the year ending June 30, 1994, the significant actuarial assumptions used to compute the contribution requirements will be the same as those used for the year ended June 30, 1993, except for the wage increase. The wage increase assumption for the year ending June 30, 1994, only, has been decreased to 1% which is consistent with actual wage increases.

Contributions are made to the basic plan by both the City and employees. Employee contributions are mandatory. Employee contribution rates for 1993 varied from 7% to 8% as a percentage of covered salary except that Miscellaneous members could elect to reduce their contributions in consideration of their anticipated Social Security benefit payments. For those Miscellaneous members who elected to reduce their contributions, retirement benefits were reduced accordingly. For the year ended June 30, 1993, in collective bargaining, the City agreed to pay a portion of the employee contributions for the Police and Fire members in the amount of 1% to 1.5% of base salary or \$1.2 million for Police and \$869 thousand for Fire.

The basic City contributions are the amounts deemed necessary on an actuarial basis to provide the Retirement System with assets sufficient to pay the basic benefits that are not provided for by employees' contributions, existing assets and the expected future returns on these assets. Employer contributions have been made in accordance with actuarially determined requirements. City contributions for the year ended June 30, 1993 were reduced by \$33 million which was determined to have been overfunded in prior years. Total contribution requirements and contributions made for the year ended June 30, 1993 are presented in the following table as a percent of covered payroll and in dollars. Covered payroll during the year ended June 30, 1993 was \$880 million for Miscellaneous members, \$86 million for Police and \$70 million for Fire, for a total of \$1,036 million.

Contribution requirements (in thousands):

	Normal Cost		Unfunded Amortization		Total Contribution Requirements	
	Rate	Dollars	Rate	Dollars	Rate	Dollars
Miscellaneous.....	12.1%	\$106,709	5.6%	\$ 49,264	17.7%	\$ 155,973
Police.....	29.3%	25,261	6.0%	5,161	35.3%	30,422
Fire.....	29.9%	20,957	26.4%	18,459	56.3%	39,416
	14.8%	<u>\$152,927</u>	7.0%	<u>\$ 72,884</u>	21.8%	<u>\$ 225,811</u>

Contributions made (in thousands):

	Employee		Employer		Total Contribution Made	
	Rate	Dollars	Rate	Dollars	Rate	Dollars
Miscellaneous.....	6.6%	\$57,848	11.1%	\$ 98,125	17.7%	\$155,973
Police.....	7.5%	6,443	27.8%	23,979	35.3%	30,422
Fire	7.2%	5,075	49.1%	34,341	56.3%	39,416
	6.7%	<u>\$69,366</u>	15.1%	<u>\$156,445</u>	21.8%	<u>\$225,811</u>

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS - (Continued)

	As of or year ended June 30						
	(in thousands)						
	1993	1992	1991	1990	1989	1988	1987
Net assets available							
for benefits, at cost.....	\$5,339,649	4,894,706	4,392,782	3,950,773	3,547,873	3,221,136	2,897,527
Pension benefit obligation.....	(1)	\$5,200,780	5,178,790	4,973,260	4,717,888	4,429,140	4,244,235
Ratio of net assets available for							
benefits to pension benefit							
obligation.....	(1)	94.1%	84.8%	79.4%	75.2%	72.7%	68.3%
Unfunded pension benefit							
obligation.....	(1)	\$ 306,072	786,008	1,022,487	1,170,015	1,208,004	1,346,706
Annual covered payroll.....	\$1,036,453	988,985	971,506	904,195	802,770	802,823	747,615
Ratio of unfunded pension							
benefit obligation to annual							
covered payroll.....	(1)	31%	81%	113%	146%	150%	180%
Ratio of employer contributions							
to annual covered payroll.....	15.1%	20.3%	25.2%	25.4%	27.1%	29.7%	30.7%

(1) Actuarial valuation not yet performed.

California Public Employees Retirement System

Various City public safety, Port, Airport and Redevelopment Agency employees participate in the State of California Public Employee Retirement System (PERS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating public entities within the State of California. The City's payroll for all employees covered under PERS for the year ended June 30, 1993 was \$53.4 million, or 4.55% of total payroll.

Certain classes of City public safety, Port and Airport and all Redevelopment Agency employees are eligible to participate in PERS. Benefits vest after five years of service. Participating employees who retire at or after age 50 with 5 years of credited service are entitled to an annual retirement benefit, payable monthly for life using a step rate benefit formula, ranging from 1.092% of the employee's highest one year compensation for each year of service for retirement at age 50, to 2.418% of the employee's highest one year compensation for each year of service for retirement at age 63 or older. PERS also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute and local ordinance.

The pension benefit obligation was computed as part of an actuarial valuation performed as of June 30, 1992. Significant actuarial assumptions used in the valuation include (1) a rate of return on the investment of present and future assets of 8.75% a year compounded annually, (2) inflation element in wage increases of 4.5% a year compounded annually, (3) additional projected salary increases of 0.75% per year attributable to across the board real salary increases, (4) additional salary increases of 1.25% to 2.00% a year attributable to merit, and (5) post-retirement benefit increases equal to the annual cost of living adjustment to a maximum of 4%.

The assets in excess of the pension benefit obligation applicable to City employees included in PERS was approximately \$179,000 at June 30, 1992 and was calculated as follows (in thousands):

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS - (Continued)

Pension benefit obligation:

Retirees and beneficiaries currently receiving benefits.....	\$ 54,030
Current employees:	
Accumulated employee contributions.....	42,373
Employer-financed vested.....	53,110
Employer-financed nonvested.....	9,460
Total pension benefit obligation.....	<u>158,973</u>
Net assets available for benefits, at cost (market value of \$179,522).....	<u>159,152</u>
Assets in excess of pension benefit obligation.....	<u>\$ 179</u>

Contributions Required and Contributions Made - PERS uses the Entry Age Normal Actuarial Cost Method which is a projected benefit cost method that takes into account those benefits that are expected to be earned in the future as well as those already accrued.

According to this cost method, the normal cost for an employee is the level amount which would fund the projected benefit if it were paid annually from date of employment until retirement. PERS uses a modification of the Entry Age Cost Method in which the employer's total normal cost is expressed as a level percentage of payroll. PERS also uses the level percentage of payroll method to amortize any unfunded actuarial liabilities. The amortization period of the unfunded actuarial liability ends on June 30, 2000.

The significant actuarial assumptions used to compute the actuarially determined contribution requirements are the same as those used to compute the pension benefit obligation as previously described.

Contributions are made to the Plan by both the City and employees. Participating employees of the City are required to contribute 7% to 9% of their monthly salaries to PERS. For employees who are covered by Social Security, no contribution is required for the first \$133.33 per month. The City is required to contribute the remaining amounts necessary to fund the benefits for its employees. Employer contributions have been made in accordance with actuarially determined requirements. City and employee contributions for the year ended June 30, 1993 were reduced by \$6.87 million due to permitted usage of surplus assets and required usage of credits resulting from State legislative action, Chapter 83, Statutes of 1991 (AB 702). Total contribution requirements and contributions made for the year ended June 30, 1993 are presented in the following table as a percent of covered payroll and in dollars. Covered payroll during the year ended June 30, 1993 was \$7.5 million for Miscellaneous employees and \$45.9 million for Safety employees.

Contribution requirements (in thousands):

	Normal Cost		Unfunded Amortization		Total Contribution Requirements	
	Rate	Dollars	Rate	Dollars	Rate	Dollars
Miscellaneous.....	15.2%	\$ 1,144	1.1%	\$ 80	16.2%	\$ 1,224
Safety.....	29.6%	13,552	(0.1)%	(47)	29.5%	13,505
Subtotal.....	27.5%	14,696	0.1%	33	27.6%	14,729
Usage of surplus assets						
and AB 702 credits.....	(12.9)%	(6,870)	0.0%	-	(12.9)%	(6,870)
	14.6%	<u>\$ 7,826</u>	0.1%	<u>\$ 33</u>	14.7%	<u>\$ 7,859</u>

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS - (Continued)

Contributions made (in thousands):

	Employee		Employer		Total Contribution Made	
	Rate	Dollars	Rate	Dollars	Rate	Dollars
Miscellaneous.....	6.6%	\$ 500	9.6%	\$ 724	16.2%	\$ 1,224
Safety.....	8.7%	3,994	20.8%	9,511	29.5%	13,505
Subtotal.....	8.4%	4,494	19.2%	10,235	27.6%	14,729
Usage of surplus assets and AB 702 credits.....	(0.7)%	(392)	(12.1)%	(6,478)	(12.9)%	(6,870)
	7.7%	\$ 4,102	7.0%	\$ 3,757	14.7%	\$ 7,859

The Airport has been notified by the City that the Airport will be required to make retroactive contributions to the General Fund for usage of surplus assets of PERS for the period from 1985 to the present. The total retroactive payment may range from \$2.4 million to \$8 million. As of June 30, 1993, the General Fund has accrued \$2.4 million receivable from the Airport.

Historical Trend Information - Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due. Historical trend information, which will be provided for a 10-year period as the information becomes available, is presented. Systemwide ten-year trend information is not yet available.

	As of or year ended June 30						
	(in thousands)						
	1993	1992	1991	1990	1989	1988	1987
Net assets available for benefits	(1)	\$159,152	142,453	131,302	119,114	105,927	94,728
Pension benefit obligation.....	(1)	\$158,973	136,586	119,833	104,141	95,977	86,329
Ratio of net assets available for benefits to pension benefit obligation.....	(1)	100.1 %	104.3 %	109.6%	114.4%	110.4%	109.7%
Overfunded pension benefit obligation.....	(1)	179	5,867	11,469	14,973	9,950	8,399
Annual covered payroll.....	\$53,400	49,099	46,190	34,501	32,197	30,875	30,115
Ratio of overfunded pension benefit obligation to annual covered payroll.....	(1)	0.4%	12.7%	33.2%	46.5%	32.2%	27.9%
Ratio of employer contributions to annual covered payroll.....		19.2%	20.8%	20.6%	16.7%	16.6%	7.5%
							7.6%

(1) Actuarial valuation not yet performed

NOTES TO COMBINED FINANCIAL STATEMENTS--(Continued)

(b) *Deferred Compensation Plan*

The City and Redevelopment Agency offer their employees deferred compensation plans in accordance with Internal Revenue Code Section 457. The plans, available to all employees, permit them to defer a portion of their salary until future years. The deferred compensation is not available to employees or other beneficiaries until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the plans, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the City and Redevelopment Agency (without being restricted to the provisions of benefits under the plan), subject only to the claims of their general creditors. Participants' rights under the plans are equal to those of general creditors of the City and Redevelopment Agency in an amount equal to the fair market value of the deferred account for each participant. In the opinions of the respective legal counsels of the City and Redevelopment Agency, the governments have no liability for losses under the plans but have the duty of due care that would be required of an ordinary prudent investor. Neither the City nor the Redevelopment Agency believe it is likely that either will use the plan's assets to satisfy the claims of their general creditors in the future.

Deferred compensation plan assets are included in investments with trustee in an agency fund. Of the \$230.2 million in the plan at June 30, 1993, \$226.5 million was applicable to the City and \$3.7 million was applicable to the Redevelopment Agency.

(c) *Postretirement Health Plan*

Health care benefits of employees, retired employees and surviving spouses are financed by beneficiaries and by the City through the Health Service System, the only nonexpendable trust fund. The City's contribution, which amounted to approximately \$100.5 million in FY 1992-93, is mandated and determined by Charter provision based on similar contributions made by the ten most populous counties in California. Included in the amount is \$27 million to provide postretirement health care benefits for 16,200 retired employees. The City's liability for both current employee and postretirement health care benefits is limited to its annual contribution. The City's contribution is paid out of current available resources and funded on a pay-as-you-go basis.

CITY AND COUNTY OF SAN FRANCISCO
NOTES TO COMBINED FINANCIAL STATEMENTS--(Continued)

(9) Segment Information for Enterprise Funds

The City maintains Enterprise Funds that provide water, sewage treatment, airport, public transportation, hospital, parking, and harbor services and facilities which are largely financed by user charges. Segment information for the year ended June 30, 1993 follows (in thousands):

	San Francisco International Airport	Port of San Francisco	Water Dept/ Hetch Hetchy Project	Municipal Railway	Laguna Honda Hospital	General Hospital Medical Center	Clean Water Program	Parking Garages/ Other	Total
Operating revenues.....	\$ 169,332	\$ 32,086	\$ 179,291	\$ 91,537	\$ 89,823	\$ 226,265	\$ 104,251	\$ 17,313	\$ 908,886
Operating expense:									
Depreciation.....	30,980	4,169	24,079	24,013	1,123	4,896	23,957	664	113,881
Other.....	108,804	27,071	118,968	282,451	101,076	263,770	58,875	12,011	973,026
Operating income (loss).....	29,548	846	36,244	(214,927)	(12,376)	(42,401)	21,419	4,638	(177,009)
Operating grants.....	-	-	-	55,496	-	7,354	-	-	62,850
Operating transfers (net).....	(14,988)	-	(27,000)	115,549	10,082	40,513	4,645	(2,793)	126,006
Interest and other non- operating revenues (expenses).....	(15,077)	(1,966)	(6,614)	12,748	476	1,324	(11,774)	(873)	(21,756)
Extraordinary items.....	(12,139)	-	-	-	-	-	(32,732)	-	(44,871)
Net income (loss).....	\$ (12,655)	\$ (1,120)	\$ 2,630	\$ (31,134)	\$ (1,818)	\$ 6,790	\$ (18,442)	\$ 972	\$ (54,778)
Current assets.....	255,655	32,862	114,769	101,498	11,514	90,868	25,208	12,620	644,994
Current liabilities.....	65,806	15,596	41,645	92,139	16,771	91,497	51,111	12,197	386,762
Net working capital.....	\$ 189,849	\$ 17,266	\$ 73,124	\$ 9,359	\$ (5,257)	\$ (629)	\$ (25,903)	\$ 423	\$ 258,232
Total assets.....	968,572	244,807	909,755	684,230	26,791	135,142	1,505,269	106,789	4,581,355
Total liabilities.....	564,699	85,388	338,572	137,613	25,497	106,715	698,388	64,756	2,021,628
Fund equity.....	\$ 403,873	\$ 159,419	\$ 571,183	\$ 546,617	\$ 1,294	\$ 28,427	\$ 806,881	\$ 42,033	\$ 2,559,727
Contributed capital-begin- ning.....	108,268	76,195	46,506	381,501	8,448	57,220	670,077	-	1,348,215
Federal, State and other cap- ital grants.....	9,539	1,059	62	49,243	-	1,201	3,524	-	64,628
Depreciation on contributed assets.....	-	-	(1,181)	(21,252)	-	-	(14,522)	-	(36,955)
Contributed capital - ending	\$ 117,807	\$ 77,254	\$ 45,387	\$ 409,492	\$ 8,448	\$ 58,421	\$ 659,079	\$ -	\$ 1,375,888
Retained earnings (deficit)	\$ 286,066	\$ 82,165	\$ 525,796	\$ 137,125	\$ (7,154)	\$ (29,994)	\$ 147,802	\$ 42,033	\$ 1,183,836
Fixed asset additions (net)	\$ 21,981	\$ 6,749	\$ 40,048	\$ 54,167	\$ 0	\$ 3,968	\$ 107,886	\$ 11,748	\$ 246,547
Net proceeds from sale of bonds.....	\$ 5,342	\$ -	\$ 91	\$ -	\$ -	\$ -	\$ -	\$ 15,597	\$ 21,030
Total debt outstanding.....	\$ 497,867	\$ 65,730	\$ 289,625	\$ 7,530	\$ 1,146	\$ 3,334	\$ 655,790	\$ 52,472	\$ 1,573,494

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS--(Continued)

(a) *San Francisco International Airport*

Pursuant to an agreement with certain airlines, the Airport makes an annual payment to the City's General Fund equal to 15% of concessionaire revenue, but not less than \$5 million per fiscal year. The amount transferred to the General Fund during FY 1992-93 was \$15.0 million.

On December 15, 1992, the Airport adopted Resolution 92-0314 which authorized the payment of \$25 million to the City as an advance on future concessionaire revenue to be transferred to the General Fund under the above-mentioned agreement. The advance, which has been approved by the City, the Airport and the Airlines in an Agreement dated November 3, 1992, was disbursed to the City on June 30, 1993 and is recorded in deferred credits and other liabilities in the General Fund on a GAAP basis. Repayment of the advance will be made through reductions in concessionaire revenue transferred to the General Fund over the next seven years (note 3).

During FY 1992-93, the Airport issued \$280.4 million of Second Series Refunding Revenue Bonds, Issues 2, 3 and 4 to advance refund the outstanding Series B, Series D and Series E Revenue Bonds totaling \$268.0 million (note 7).

In addition to the issuance of the Second Series Revenue Bonds for refunding purposes, the Airport has approved a coordinated development program (the Master Plan) which calls for substantial capital improvements to be made at the Airport over the next 15 years. In connection with its execution of the near-term component of the Master Plan (which encompasses capital improvements through 1998) the Airport expects to issue additional bonds in an aggregate amount of approximately \$2.4 billion by November 30, 1996.

Purchase commitments for construction, materials and services at June 30, 1993 were approximately \$16.7 million.

(b) *Port of San Francisco*

Prior to 1969 the Port of San Francisco was owned by the State of California. At that time the Port was transferred to the City under terms and conditions of legislation as ratified by the electorate of the City. Accordingly, the City assumed all debt, including State of California general obligation bonds, from the State at the date of transfer; this debt amounted to \$4.0 million at June 30, 1993. The State retains the right to amend, modify or revoke the transfer provided that it assumes all related lawful obligations.

The Port is currently planning various development projects which involve a commitment to expend significant funds. Purchase commitments for construction, materials and services at June 30, 1993 were \$4.2 million.

(c) *Water Department/Hetch Hetchy Project*

The segment data presented reflects the combined statements of the Water Department/Hetch Hetchy Project (Water/Hetch Hetchy), whose operations are interrelated. The Hetch Hetchy Project is a system of reservoirs and hydroelectric generating stations and the related distribution systems; it provides the Water Department with its water for San Francisco and other municipalities and sells electric power to City departments and to public and private agencies. Water/Hetch Hetchy charges for services in FY 1992-93 to other City entities were \$44.0 million. Water sales to suburban customers were \$62.3 million.

The property tax levy of the City includes amounts to pay annual bond interest and redemption charges on general obligation bonds of Water/Hetch Hetchy, which are included in the Water/Hetch Hetchy Enterprise Fund. Water/Hetch Hetchy transfers a like amount to the General Funds as described in note 5.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS - (Continued)

Income from Water/Hetch Hetchy is available for certain operations of the City. During the year ended June 30, 1993, \$27 million was transferred to the General Fund in addition to the amount described above.

The Hetch Hetchy Project has a back-up electric power contract with Pacific Gas & Electric (PG&E) which allows Hetch Hetchy to provide guaranteed power to City entities and third party customers. The contract pricing may be retroactively adjusted by PG&E based on its own costs. Adjustments are recorded as expenses in the year in which they are received.

Purchase commitments for construction, materials and services at June 30, 1993 were \$14.0 million.

(d) *Municipal Railway*

The segment data reflects the combined operations of the San Francisco Municipal Railway (Muni) and the San Francisco Municipal Railway Improvement Corporation (SFMRIC). SFMRIC is a nonprofit corporation organized for the purpose of acquiring, constructing, improving and financing improvements to the City's public transportation system. The City's Annual Appropriation Ordinance provides funds to subsidize Muni's operating deficits as determined under the City's budgetary accounting procedures, subject to the appropriation process.

Power, maintenance and construction costs valued at \$4.6 million for overhead distribution lines used to operate certain Muni vehicles were provided by the Hetch Hetchy Project at no cost to Muni for FY 1992-93.

Muni collects fees which are intended to recover the capital and/or operating costs of increased peak period transit service associated with new office construction in downtown San Francisco. These fees, totaling \$10.5 million in FY 1992-93, are recorded as non-operating revenues in the year in which they are assessed. An allowance of one percent of fees assessed has been provided for the possibility of paying refunds for the conversion of buildings to non-office use. Several legal actions questioning the legality of these fees have been decided in favor of Muni. The one remaining lawsuit has been decided in favor of Muni, resulting in income recognition in the amount of \$4.6 million during FY 1992-93.

As of June 30, 1993, the Municipal Railway had various approved capital grants with unused balances amounting to \$218.1 million available to finance various improvements. Contract commitments were \$175 million at June 30, 1993.

The State Public Utilities Code provides that fare revenues must equal or exceed 33% of operating costs in order to qualify for allocation of certain sales tax revenues available for public transit. However, state law further provides that if the regional operators (Bay Area Rapid Transit, AC Transit and Muni) together meet the 33% requirement, a fare credit of up to five percent can be granted to Muni based on special fare policies. In FY 1991-92, the three regional transit operators met the combined fare ratio of 33%. The fare policies implemented by Muni resulted in a fare credit of 2.25% being granted to Muni in FY 1992-93 to bring it in compliance with the eligibility requirements.

(e) *Laguna Honda Hospital*

The operations of Laguna Honda Hospital, an acute health care facility specializing in serving elderly and disabled residents, were established as an enterprise fund on July 1, 1983. As with other subsidized enterprises, the City's policy is to fund Laguna Honda's operating deficits on a budgetary basis, subject to the appropriation process.

(f) *General Hospital Medical Center*

The City's policy provides for the General Fund to fund operating deficits of the General Hospital Medical Center (Hospital), as determined in accordance with the City's budgetary accounting procedures, subject to the appropriation process.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS - (Continued)

State of California Senate Bill 855 (SB-855) was passed by the state legislature in July 1991 to provide additional funding to hospitals which provide a significant portion of their services to Medi-Cal recipients. In order to receive additional funds, the City must transfer funds to the State Medi-Cal program so that the funds may be matched by federal funds. Revenue from SB-855 for the Hospital totaled \$100 million in FY 1992-93. Included in this amount is a retroactive adjustment of \$9.3 million for 1992 which relates to additional SB-855 funds received due to a favorable appeal settlement which included additional Medi-Cal days in the reimbursement calculation.

(g) *Clean Water Program*

The Clean Water Program Enterprise Fund was established pursuant to bond resolutions to account for the whole of the municipal sewage treatment and disposal system, including a major construction program currently underway.

A substantial part of the cost of the total construction program has been and is expected to be provided by capital grants from the United States Environmental Protection Agency and capital grants and loans from the California State Water Resources Control Board. The Clean Water Program's portion of financing has been and is expected to be provided from revenue bond proceeds.

To provide for possible deferral or discontinuance of federal and state grant funds, Clean Water management has developed a schedule consistent with its Master Plan that builds operating core systems on both sides of the City. These systems will be interconnected and enlarged in incremental stages to ensure functioning units while implementing the Master Plan program. The system is currently under construction and is expected to cost \$1,445 million. Funding is available through loan, existing grants and Enterprise Funds. As of June 30, 1993, the Clean Water Program had outstanding construction contract commitments of \$39.4 million.

The Clean Water Program has entered into several loan contracts with the California State Water Resources Control Board under which it can borrow up to \$151.2 million to finance certain facilities. The interest rates would not exceed 3.5% per annum. As of June 30, 1993, the Clean Water Program had borrowed \$139.9 million under the loan contracts.

A general contractor has submitted a claim in the amount of \$32 million for additional compensation. Additional claims are expected to be submitted. In the opinion of Clean Water's management, these claims will not have a material impact on their financial statements.

The City is currently operating under Cease and Desist Orders imposed by the San Francisco Bay Regional Water Quality Control Board which contain project schedules leading to compliance with all provisions of the Federal Water Pollution Control Act by 1996. The Clean Water Program management believes that, given the assumed level of grant, bond and loan funding, the City will comply with the Orders.

On September 3, 1992, the Clean Water Program issued Sewer Revenue Refunding Bonds Series 1992 to defease various outstanding Sewer Revenue Bonds of 1976, 1986 and 1988 (note 7).

During FY 1992-93, an operating transfer of \$4.6 million was made from the City's Debt Service Fund to provide for general obligation debt service of the Clean Water Program. The City has approved an operating transfer of \$4.7 million for FY 1993-94.

CITY AND COUNTY OF SAN FRANCISCO
NOTES TO COMBINED FINANCIAL STATEMENTS--(Continued)

(h) *Parking Garages/Other*

The segment data reflects the operations of five parking garages operated by separate nonprofit corporations organized by the City. This segment data also includes the San Francisco Market Corporation, a nonprofit corporation organized to acquire, construct, finance and operate a produce market, and the Redevelopment Agency's South Beach Harbor Project, an enterprise fund established to commercially develop an area of the Bay waterfront and operate a boat harbor. All of the nonprofit corporations had net income for their most recent fiscal year. On February 1, 1993, Downtown Parking Corporation issued \$15.8 million of Parking Revenue Bonds, Series 1993.

(10) **San Francisco Redevelopment Agency**

The Agency is a public body, corporate and politic, organized and existing under the Community Redevelopment Law of the State of California. Since its organization in 1948, the Agency has completed or nearly completed redevelopment plans for six redevelopment project areas and has six redevelopment plans now being implemented. The redevelopment process, which seeks to increase the City's housing and tax base while accommodating needed public projects, has been applied to approximately 4% of the City's total land area. The Agency has adopted as its current mission the creation of affordable housing and economic development opportunities citywide.

The Agency has no direct taxing power and does not have the power to pledge the general credit or taxing power of the City, the State of California or any political subdivision thereof. However, California's Health and Safety Code allows redevelopment agencies to recover costs of financing public improvements from increased tax revenues associated with individual project areas' increased property values. During the year, the Agency received \$9.8 million from this source, \$9.5 million of which was recognized as revenue in the Capital Projects and Enterprise funds, including amounts deferred in the prior year. This amount is less than the full amount of the tax increment in the project areas as it is determined under an indebtedness limitation agreement with the City. The Agency's other primary sources for funding urban development include rent, interest and proceeds from the sale of land acquired for redevelopment. The following is a financial summary of the Agency's Capital Projects Fund at June 30, 1993 (in thousands).

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS--(Continued)

ASSETS

Deposits, investments and other assets.....	\$ 90,931
Property held for resale and/or lease.....	80,917
Total assets.....	<u>\$171,848</u>

LIABILITIES AND FUND BALANCE

Accounts payable and deferred revenues.....	\$34,030
Fund balance:.....	
Reserved for property held for resale.....	80,917
Unreserved - undesignated.....	56,901
	<u>137,818</u>
Total liabilities and fund balance.....	<u>\$171,848</u>

OPERATIONS

Revenues:	
Tax increment.....	\$ 9,387
Land sales proceeds.....	1,193
Investment earnings.....	3,178
Rent.....	4,390
Other.....	23,801
	<u>41,949</u>
Expenditures - Capital Outlay.....	59,250
Excess of expenditures over revenues.....	(17,301)
Other financing sources (uses):	
Loan Proceeds from Redevelopment-Financing Authority.....	31,775
Transfer to Debt Service Fund.....	(29,076)
Transfer from Debt Service Fund.....	565
Excess of expenditures and other uses over revenues and other sources.....	(14,037)
Fund balance at beginning of year.....	162,980
Net change in reserve for property held for resale.....	(11,125)
Fund balance at end of year.....	<u>\$137,818</u>

During FY 1992-93, the City and County of San Francisco Redevelopment Financing Authority (Authority), which is a separate public entity pursuant to a joint exercise of powers agreement with the City, sold \$31.8 million in tax allocation revenue bonds, proceeds of which were loaned to the Agency to finance capital improvements and provide working capital in the Western Addition A-2 and Yerba Buena Center project areas. Loan payments to the Authority equal debt service payments, and are secured by property tax increment revenues. Because the loan transaction is entirely within the financial reporting entity, it has been eliminated in the combined financial statements. The Authority is accounted for as a debt service fund.

During FY 1992-93, the Agency augmented its citywide housing fund by \$6.7 million. These funds will be used to fund conditional grants or other subsidies to acquire, improve or construct housing for homeless and low and moderate income persons outside redevelopment project areas. The grants are contingent upon 50 year affordability restrictions on qualifying tenant incomes and allowable rents.

Included in other revenues for the year ended June 30, 1993 is \$21.7 million in liquidated damages collected by the Agency from a developer who defaulted on an Option Agreement to purchase or lease specified parcels of land in the Yerba Buena Center approved redevelopment area. The developer has waived its rights to litigate for collection of the liquidated damages.

In order to facilitate construction and rehabilitation within the project areas, the Agency has issued various construction loan notes, promissory notes, mortgage revenue bonds, and special assessment bonds with an aggregate outstanding balance of approximately \$415 million at June 30, 1993. These obligations are secured by the related mortgage indebtedness or property and, in the opinion of management, are not obligations of the Agency or City.

CITY AND COUNTY OF SAN FRANCISCO
NOTES TO COMBINED FINANCIAL STATEMENTS--(Continued)

The Agency has commitments under contracts for capital improvements of approximately \$4.7 million at June 30, 1993.

(11) Due From and Due To Other Funds

Amounts due from or due to other funds at June 30, 1993 are as follows (in thousands):

	Due From Other Funds	Due To Other Funds		Due From Other Funds	Due To Other Funds
General Fund.....	\$140,695	\$77,188	Enterprise Funds:		
Special Revenue Funds.....			San Francisco International Airport.....	\$ 15	\$6,395
Hotel/Tax Fund.....	-	12,758	Port of San Francisco.....	1,239	901
Gasoline Tax Fund.....	585	2,514	Water Department/Hetch Hetchy		
Convention Facilities Fund.....	15,149	444	Project.....	7,041	7,912
Open Space and Park Fund.....	-	329	Municipal Railway.....	39,008	53,923
Community Development Block			Laguna Honda Hospital.....	-	8,927
Grant Fund.....	454	147	General Hospital Medical Center.....	17,242	70,448
Senior Citizens' Programs Fund.....	74	1,220	Clean Water Program.....	1,748	7,975
Candlestick Park Fund.....	949	-	Parking Garages/Other.....	-	4,974
Special Recreation & Park Revenue.....	972	1,117		<u>66,293</u>	<u>161,455</u>
San Francisco County Transportation			Internal Service Funds:		
Authority Fund.....	-	-	Data Processing Fund.....	3,439	63
Building Inspection Fund.....	25	2,111	Central Shops Fund.....	2,453	145
Health and Human Services Fund.....	52	4,371	Other Internal Service Funds.....	1,702	-
Off-Street Parking Fund.....	1,974	744		<u>7,594</u>	<u>208</u>
State Department of Transportation Fund.....	-	1,490	Fiduciary Funds:		
State Housing and Community			Employees' Retirement System.....	670	600
Development Fund.....	-	1,006	Health Service System.....	2,314	22
Department of Health Fund.....	686	2,365	Expendable Trust Fund-Gift Fund.....	8,393	336
Miscellaneous Federal Grant Funds.....	516	4,012	Expendable Trust Fund -		
Miscellaneous State Grant Funds.....	10	3,822	Fuhrman Bequest Fund.....	-	106
Other Special Revenue Funds.....	<u>52,948</u>	<u>17,940</u>	Other Expendable Trust Fund.....	-	151
	<u>75,394</u>	<u>56,390</u>	Agency Funds:		
Debt Service Funds.....			Payroll Deduction Fund.....	-	3
Moscone Lease Revenue Bonds Fund.....	<u>5</u>	-	Unapportioned Taxes Fund.....	4	188
Capital Projects Fund.....			Deposits Fund.....	-	1,078
Redevelopment Agency Fund.....	768	-	Assistance Program Fund.....	3	1,107
Street Improvement Fund.....	4,383	12,508	School and College District Fund.....	236	2,712
City Facility Improvement Fund.....	18,781	9,923	Construction Deposits Fund.....	-	30,735
Recreation and Park Projects Fund.....	-	1,262	Other Agency Funds.....	57	454
Moscone Convention Center Fund.....	30,730	-		<u>11,677</u>	<u>\$37,492</u>
Other Capital Projects Funds.....	<u>157</u>	<u>61</u>	Total.....	<u>\$ 356,487</u>	<u>\$356,487</u>
	<u>54,829</u>	<u>23,754</u>			

(12) Commitments and Contingent Liabilities

(a) Claims and Litigation

Numerous lawsuits related to the governmental fund types are pending or threatened against the City. The City Attorney estimates the amount of liability determined to be probable of occurrence as of June 30, 1993, in accordance with Statement of Financial Accounting Standards No. 5, to be approximately \$61.0 million. Claims and litigation in the governmental fund types approximating \$20.0 million are estimated to be payable in the next year and are included as liabilities of the General Fund. The remainder is included in the General Long-Term Obligations Account Group. The recorded liability is the City's best estimate based on available information and may be revised as further information is obtained and as pending cases are litigated.

CITY AND COUNTY OF SAN FRANCISCO

NOTES TO COMBINED FINANCIAL STATEMENTS--(Continued)

The City Attorney estimates that certain other pending cases have a reasonable possibility (defined as more than remote but less than likely) of resulting in additional liability in the aggregate amount of \$29.8 million. This amount is not recorded in the accompanying financial statements because the status and/or facts of these cases are such that it is not probable that a loss has been incurred as of June 30, 1993.

The Municipal Railway self-insures for estimated accident claims. Estimated accident claims payable amounted to approximately \$19.1 million as of June 30, 1993. Estimated claims payable in other Enterprise Funds were \$6.7 million. The Health Service System had estimated claims payable of \$8.1 million for direct provider care services at June 30, 1993.

(b) Grants and Subventions

Receipts from Federal and state grants and other similar programs are subject to audit to determine if the monies were expended in accordance with appropriate statutes, grant terms and regulations. The City believes that no significant liabilities will result.

The Airport has applied for grant entitlements from the Federal Aviation Administration (FAA) of approximately \$89 million for 1986 to the present. The FAA approved \$17.7 million for 1986 and 1987 of which \$9.5 million was claimed and received in FY 1992-93. The Airport's application for approximately \$22.9 million of 1988 and 1989 grant funds was litigated and ultimately resulted in the funds being debigated. Subsequent to year end, the FAA approved grant entitlements in the amount of \$23.9 million from the 1990 and 1991 provisionally obligated funds. The Airport had also applied for and was provisionally obligated grant entitlements of \$24.5 million for 1992 and 1993. Approval of these entitlements is expected during the next fiscal year and the Airport will continue to apply for future grant entitlements. No funds applied for the 1990 through 1993 fiscal years have been accrued or received.

(c) Insurance

For its general governmental activities, Clean Water Program, Laguna Honda Hospital and General Hospital Medical Center, the City self-insures all general liability risks including medical malpractice and substantially all its property risks except for limited excess coverage maintained on certain facilities. Payment of claims is provided through annual appropriations which are based on claims payment experience, and supplemental appropriations.

Limited external insurance coverage is maintained by the San Francisco Redevelopment Agency, San Francisco International Airport, Port of San Francisco, Water Department/Hetch Hetchy Project and Municipal Railway. Additionally, coverage is maintained for Moscone Convention Center property and personal liability, and for art at City-owned museums.

The City self-insures for workers' compensation coverage. The City estimates claims liability based on current industry practice, including an estimate for incurred but not recorded claims. The total amount estimated to be payable for claims incurred as of June 30, 1993 was \$123.5 million which is reported in the appropriate individual funds and the General Long-Term Obligations Account Group in accordance with the City's accounting policies (note 2).

(d) Capital Leases

The City has entered into a lease agreement as lessee for financing the acquisition of telephone equipment. The City has also financed certain computer equipment in the Data Processing Internal Service Fund. These agreements qualify as capital leases for accounting purposes and, therefore, have been recorded in the financial statements as fixed assets and related lease debt. Future capital lease payment requirements are included in note 7.

CITY AND COUNTY OF SAN FRANCISCO
NOTES TO COMBINED FINANCIAL STATEMENTS--(Continued)

(e) *Operating Leases*

The City has operating leases for certain buildings and data processing equipment which are not material to the City's operations. The Airport, Port, Redevelopment Agency and two parking garages lease land and various facilities to tenants and concessionaires who will provide the following minimum annual payments (in thousands):

<u>Fiscal Years</u>	<u>Amount</u>
1994.....	\$ 47,011
1995.....	33,860
1996.....	8,560
1997.....	16,451
1998.....	14,001
Thereafter.....	<u>275,731</u>
	<u>\$395,614</u>

(f) *Other Contingencies*

The Airport has entered into an agreement to provide \$10 million to the City of South San Francisco at \$1 million per year for 10 years, for noise mitigation.

In September 1992, the California State Legislature amended the Public Resources Code (The Code), enabling the City to transfer discretionary reserves from the Port to the City. The Code defines discretionary reserves as the greater of (a) 25% of the Port's total current assets less total current liabilities ("working capital") reported in the most recent audited financial statements made public prior to June 30, 1992 and each year thereafter, or (b) \$4 million. After the Port certifies the amount of discretionary reserves, the City has the option of transferring any or all of such reserves on or before March 31, 1993 and each March 31 thereafter until the provision is repealed. The provision will remain in effect only until June 30, 1994 and as of January 1, 1995 is repealed.

The amount available for transfer before March 31, 1994 would be 25% of working capital as of June 30, 1992, or approximately \$4.9 million. The 25% of working capital is approximately \$4.3 million as of June 30, 1993. This amount would be available for transfer on or before January 1, 1995.

During fiscal year 1993, the Board of Supervisors approved a \$1 million transfer under the provision of the Code. Subsequently, based on an opinion from the City Attorney that the transfer was unconstitutional, the Board of Supervisors approved the return of the funds to the Port. The \$1 million was returned in June 1993 and the City has made no further requests for transfers of reserves from the Port.

The Port has been ordered by the California Regional Water Quality Control Board to close certain landfills with a water unimpregnable surface. The Port estimates the cost to close the specified landfills to be in the range of \$8 million to \$10 million.

CITY AND COUNTY OF SAN FRANCISCO
NOTES TO COMBINED FINANCIAL STATEMENTS--(Continued)

(g) *Deficit Fund Balances/Retained Earnings*

At June 30, 1993, the two hospital enterprise funds, Laguna Honda Hospital and General Hospital Medical Center, had accumulated deficits of \$7.2 million and \$30.0 million, respectively. The City's policy is to fund operating deficits on a budgetary basis, which approximates the modified accrual basis of accounting. Accordingly, depreciation and certain non-current accrued expenses are not funded, resulting in continuing deficits. The Senior Citizens' Programs Special Revenue Fund and the Street Improvement Capital Project Fund had deficit fund balances of \$0.3 million and \$1.0 million at June 30, 1993, respectively. FY 1993-94 operations will absorb the deficit by appropriate budget restrictions.

(13) Subsequent Events

On July 1, 1993, the City issued Tax and Revenue Anticipation Notes for \$325 million at an interest rate of 3.25%. The notes mature on July 15, 1994.

On July 15, 1993, the Redevelopment Financing Authority issued \$57.9 million in Tax Allocation Refunding Revenue Bonds to provide funds for partial advance refunding of the 1989 and 1990 Authority Tax Allocation Revenue Bonds and partial current refunding of the 1991 Authority Tax Allocation Revenue Bonds.

On November 2, 1993, Proposition 172 was approved which makes the one-half cent sales tax permanent for funding public safety services. The passage has allowed the City to establish \$44 million in appropriations that were contingent on the legislation passing.

On November 2, 1993, Proposition H was approved by the City's voters to allow the City to enter into a lease financing arrangement not to exceed \$50 million with the Finance Corporation, or a similar non-profit corporation, for purchase of a radio communications system and related equipment for various departments.

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**Combining, Individual Fund and
Individual Account Group Financial
Statements and Schedules**

CITY AND COUNTY OF SAN FRANCISCO

GENERAL FUND

The General Fund accounts for resources that are traditionally associated with governments and that are not required to be accounted for in another fund. Consequently, revenues and expenditures of the Traffic Fines and the Welfare Assistance and Administration Funds are accounted for in the General Fund.

CITY AND COUNTY OF SAN FRANCISCO

GENERAL FUND

Comparative Balance Sheet
June 30, 1993 and 1992

(In Thousands)

	1993	1992
ASSETS		
Deposits and investments *	\$ 6,821	\$ 65,532
Receivables (net of allowance for uncollectible amounts of \$7,763 in 1993):		
Property taxes and penalties.....	50,917	53,122
Other local taxes.....	77,600	75,596
Federal and state grants and subventions.....	44,025	35,009
Charges for services.....	1,429	2,556
Interest and other.....	999	1,159
Due from other funds *	140,695	21,974
Loans receivable.....	-	150
Inventories.....	91	292
Restricted assets:		
Deposits and investments.....	4,107	-
Deferred charges and other assets.....	1,251	936
Total assets.....	<u>\$ 327,935</u>	<u>\$ 256,326</u>
LIABILITIES		
Accounts payable.....	\$ 33,430	\$ 12,650
Accrued payroll.....	20,828	16,637
Accrued vacation and sick leave pay.....	24,550	24,550
Accrued workers' compensation.....	19,200	19,000
Estimated claims payable.....	20,040	20,040
Deferred tax, grant and subvention revenues.....	57,903	55,581
Due to other funds.....	77,188	84,690
Deferred credits and other liabilities *	82,025	19,350
Total liabilities.....	<u>335,164</u>	<u>252,498</u>
FUND EQUITY		
Fund balances:		
Reserved by charter for cash requirements.....	57,045	52,324
Reserved by charter for emergencies.....	4,498	4,498
Reserved for inventory type assets not available for appropriation.....	2,277	2,104
Reserved for encumbrances.....	17,008	14,163
Reserved for appropriation carryforward.....	5,330	5,217
Reserved for subsequent years' budgets.....	5,222	4,047
Unreserved-undesignated (deficit).....	<u>(98,609)</u>	<u>(78,525)</u>
Total fund equity.....	<u>(7,229)</u>	<u>3,828</u>
Total liabilities and fund equity.....	<u>\$ 327,935</u>	<u>\$ 256,326</u>

* At June 30, 1993, the City has classified negative cash balances in certain enterprise funds as a reduction Fund deposits and investments. This reclassification resulted in a corresponding increase of \$109 million in amounts due to the General Fund from the affected enterprise funds. In addition, as a result of an advance San Francisco International Airport for \$25 million at June 30, 1993 and a \$35 million tax revenue anticipation note San Francisco Transportation Authority, deposits and investments and deferred credits increased \$60 million.

CITY AND COUNTY OF SAN FRANCISCO

GENERAL FUND

Comparative Statement of Revenues, Expenditures
and Changes in Fund Balance
Years ended June 30, 1993 and 1992

(In Thousands)

	<u>1993</u>	<u>1992</u>
Revenues:		
Property taxes.....	\$ 425,498	\$ 457,971
Business taxes.....	153,599	142,093
Other local taxes.....	187,384	171,771
Grants, subventions and other allocations.....	419,440	426,228
Licenses, fines and penalties.....	46,786	51,355
Interest and investment earnings.....	8,302	15,305
Charges for services.....	42,111	30,839
Other.....	9,184	8,235
Total revenues.....	<u>1,292,304</u>	<u>1,303,797</u>
Expenditures:		
Operating expenditures:		
Public protection.....	440,178	447,493
Public works, transportation and commerce.....	31,502	32,838
Human welfare and neighborhood development.....	298,300	279,214
Community health.....	256,324	188,035
Culture and recreation.....	64,474	63,690
General administration and finance.....	116,546	131,410
Total expenditures.....	<u>1,207,324</u>	<u>1,142,680</u>
Excess of revenues over expenditures.....	<u>84,980</u>	<u>161,117</u>
Other financing sources (uses):		
Operating transfers in.....	81,390	47,945
Operating transfers out.....	(177,600)	(236,884)
	<u>(96,210)</u>	<u>(188,939)</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses.....	(11,230)	(27,822)
Fund balances at beginning of year.....	3,828	26,082
Residual equity transfers in.....	-	5,272
Net change in reserve for inventory type assets not available for appropriation.....	173	296
Fund balances (deficit) at end of year.....	<u>\$ (7,229)</u>	<u>\$ 3,828</u>

**CITY AND COUNTY OF SAN FRANCISCO
GENERAL FUND**

**Schedule of Expenditures and Encumbrances by Department-
Budget and Actual-Budget Basis
Year ended June 30, 1993**

(In Thousands)

	Revised Budget	Actual	Variance- Favorable (Unfavorable)
Public Protection			
District Attorney.....	\$ 25,544	\$ 24,962	\$ 582
Public Defender.....	8,904	8,717	187
Sheriff.....	47,248	45,091	2,157
Superior Court.....	26,332	26,331	1
Municipal Court.....	20,535	20,127	408
Juvenile Court.....	16,940	16,863	77
Adult Probation.....	6,582	6,564	18
Fire Department.....	128,465	125,599	2,866
Police Department.....	161,980	161,980	-
County Agriculture/Weights and Measures.....	767	691	76
Animal Care and Control.....	1,946	1,853	93
Public Administrator/Guardian.....	2,407	2,263	144
	<u>447,650</u>	<u>441,041</u>	<u>6,609</u>
Public Works Transportation and Commerce			
Parking and Traffic Commission.....	12,803	11,735	1,068
Permit Appeals.....	255	251	4
PUC Light, Heat and Power.....	4,562	4,319	243
Electricity.....	4,060	4,060	-
Public Works.....	11,105	11,013	92
	<u>32,785</u>	<u>31,378</u>	<u>1,407</u>
Human Welfare and Neighborhood Development			
Human Rights Commission.....	1,599	1,446	153
Social Services.....	309,822	300,119	9,703
Commission on the Status of Women.....	1,008	997	11
	<u>312,429</u>	<u>302,562</u>	<u>9,867</u>
Community Health			
Medical Examiner/Coroner.....	3,308	3,182	126
Public Health Central Office.....	109,921	107,933	1,988
Community Mental Health.....	132,534	130,121	2,413
	<u>245,763</u>	<u>241,236</u>	<u>4,527</u>
Culture and Recreation			
County Education Office.....	1,719	1,719	-
Art Commission.....	1,321	1,300	21
Public Library.....	20,573	20,270	303
Recreation and Park Commission.....	34,378	34,109	269
Academy of Sciences.....	1,597	1,571	26
Fine Arts Museum.....	4,083	3,852	231
Asian Art Museum.....	1,319	1,294	25
Law Library.....	200	200	-
	<u>65,190</u>	<u>64,315</u>	<u>875</u>
General Administration and Finance			
Board of Supervisors.....	5,161	4,930	231
Assessor.....	6,446	6,118	328
City Attorney.....	6,966	6,067	899
Treasurer/Tax Collector.....	11,232	10,269	963
Controller.....	15,715	15,488	227
Mayor.....	5,982	5,521	461
City Planning.....	6,175	5,772	403
Civil Service.....	7,484	7,397	87
Retirement System - Workers' Compensation Division.....	16,627	16,059	568
Chief Administrative Office.....	1,233	531	702
Real Estate.....	2,149	2,141	8
Recorder.....	1,074	1,026	48
Registrar.....	3,112	3,023	89
Purchaser.....	2,775	2,469	306
General City Responsibility*.....	29,496	29,495	1
	<u>121,627</u>	<u>116,306</u>	<u>5,321</u>
Total General Fund.....	\$ 1,225,444	\$ 1,196,838	\$ 28,606

* Includes general claims liability, post retirement benefits and data processing costs.

CITY AND COUNTY OF SAN FRANCISCO

GENERAL FUND

Schedule of Budget Appropriation Changes
Year ended June 30, 1993

(In Thousands)

	Original Budget(a)	Supple- mental Appro- priations	Carryforward Appropriations		Revised Budget
			Beginning	Ending	
Revenues:					
Property taxes.....	\$ 495,577	\$ (63,310)	\$ -	\$ -	\$ 432,267
Business taxes.....	157,000	(8,000)	-	-	149,000
Other local taxes.....	195,323	(1,126)	-	-	194,197
Grants, subventions and other allocations.....	448,170	693	2,081	2,403	448,541
Licenses, fines and penalties.....	56,162	1,498	-	-	57,660
Interest and investment earnings.....	16,504	(2,079)	-	-	14,425
Charges for services.....	45,019	(2,510)	-	-	42,509
Other.....	8,257	249	-	-	8,506
Total revenues.....	<u>1,422,012 (b)</u>	<u>(74,585)</u>	<u>2,081</u>	<u>2,403</u>	<u>1,347,105</u>
Expenditures and encumbrances:					
Public protection.....	468,268	(20,175)	3,090	3,533	447,650
Public works, transportation and commerce.....	33,149	(242)	89	211	32,785
Human welfare and neighborhood development.....	314,104	(1,655)	-	20	312,429
Community health.....	250,735	(3,695)	413	1,690	245,783
Culture and recreation.....	64,969	93	229	101	65,190
General administration and finance.....	115,439	4,970	3,388	2,170	121,627
Total expenditures and encumbrances.....	<u>1,246,664</u>	<u>(20,704)</u>	<u>7,209</u>	<u>7,725</u>	<u>1,225,444</u>
Excess (deficiency) of revenues over (under) expenditures and encumbrances.....	175,348	(53,881)	(5,128)	(5,322)	121,661
Other financing sources (uses):					
Proceeds from advance.....	-	25,000	-	-	25,000
Operating transfers in.....	54,520 (c)	19,553	482	294	74,261
Operating transfers out.....	<u>(196,427)</u>	<u>(17,028)</u>	<u>(571)</u>	<u>(290)</u>	<u>(213,736)</u>
	<u>(141,907)</u>	<u>27,525</u>	<u>(89)</u>	<u>4</u>	<u>(114,475)</u>
Excess (deficiency) of revenues and other sources over (under) expenditures, encumbrances and other uses.....	33,441	(26,356)	(5,217)	(5,318)	7,186
Fund balances at beginning of year.....	66,747	-	-	-	66,747
Use of contingency reserve.....	<u>(4,500)</u>	<u>(1,579)</u>	<u>(551)</u>	<u>(3,015)</u>	<u>(3,615)</u>
Fund balances at end of year.....	<u>\$ 95,688</u>	<u>\$ (27,935)</u>	<u>\$ (5,768)</u>	<u>\$ (8,333)</u>	<u>\$ 70,318</u>

(a) Certain reclassifications have been made to the original budget to conform to City accounting procedures.

(b) Differs from the Annual Appropriations Ordinance due to \$241.9 million of budgeted revenues for Welfare Assistance and Administration and Traffic Fines, included as General Fund revenue because related expenditures are General Fund expenditures.

(c) Includes \$34.0 million considered to be equity or contribution transfers in the Annual Appropriation Ordinance.

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes. Fifteen major funds are separately identified representing 77.6% of the combined revenues of the Special Revenue Funds. Three groupings of smaller funds are reported for miscellaneous federal and state grants and other minor funds. Operations of those three fund groupings are shown in a separate schedule.

Hotel Tax Fund--Accounts for the portion of the hotel room tax not allocated directly to the General Fund. Allocations from this fund are controlled by continuing ordinance. Fifty-two percent is designated for lease payments of the Moscone Center in the Yerba Buena Center Redevelopment Project Area and operating costs of the various convention facilities: Moscone Center, Brooks Hall and the Civic Auditorium. Seventeen and six-tenths percent is retained in the Hotel Tax Fund for promotional and advertising expenses. Ten percent goes to the War Memorial Fund for certain operating costs. The San Francisco Stadium, Inc. receives 6.23% for improvement of and debt service for Candlestick Park. Another 6.23% is designated for low income housing in Yerba Buena Center Redevelopment Project Area, together with specific lump sum allocations for limited purposes related to housing. The remainder is transferred to the General Fund for specific costs or undesignated general uses.

Gasoline Tax Fund--Accounts for the subventions received from state gas taxes under the provision of the Streets and Highways Code and for operating transfers from other funds which are used for the same purposes. State subventions are restricted to uses related to local streets and highways, acquisitions of real property, construction and improvements, and maintenance and repairs.

Convention Facilities Fund--Accounts for operating transfers from the Hotel Tax Fund and for operating revenues of the convention facilities: Moscone Center, Brooks Hall and the Civic Auditorium. In addition to transfers for lease payments of the Moscone Center, this fund provides for operating costs of the various convention facilities and the San Francisco Convention and Visitors Bureau.

Open Space and Park Fund--Accounts for property tax revenues designated by Charter provision, interest earnings and miscellaneous service charges and gifts. Monies in this fund are used as specified in the charter for acquisition and development of parks and open space parcels, for renovation of existing parks and recreation facilities, for maintenance of properties acquired and for after-school recreation programs.

Community Development Fund--Accounts for federally funded grants from the Department of Housing and Urban Development to provide for community development of rundown areas; to promote new housing, child care centers and public recreation areas; to provide a variety of social programs for the underprivileged; and provide loans for various community development activities.

Senior Citizens' Programs Fund--Accounts for revenues from the allocation of one-fourth of the parking tax receipts and for grants from the state to be used to promote the well-being of San Francisco senior citizens.

Candlestick Park Fund--Accounts for operating transfers from the Hotel Tax Fund and for revenues generated by operations at Candlestick Park used for certain operating costs and project expenditures.

Special Recreation and Park Revenue Fund--Accounts for revenues received from lease of all Recreation and Park Department facilities and from other uses of Department property with revenues used for certain specified operating costs.

San Francisco County Transportation Authority Fund--Accounts for the proceeds of a one-half of one percent increase in local sales tax authorized by the voters for mass transit and other traffic and transportation purposes.

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS--(Continued)

Building Inspection Fund--Accounts for the revenues and expenditures of the Bureau of Building Inspection which provides enforcement and implementation of laws regulating the use, occupancy, location and maintenance of buildings.

Health and Human Services Fund--Accounts for grants from the Department of Health and Human Services in the areas of health, education and welfare.

Off-Street Parking Fund--Accounts for parking meter revenues and expenditures for off-street parking purposes including administration, maintenance and operation of neighborhood parking lots and garages.

State Department of Transportation Fund--Accounts for various pass-through grants from Federal Aid Urban funds for the renovation of City streets. Initially the fund accounted for projects under the five-year Federal Aid Urban Systems Program; currently the fund accounts for earthquake related grants for similar uses.

State Housing and Community Development Fund--Accounts for various grants used to promote local housing requirements and community development planning.

Department of Health Fund--Accounts for various state grants used to promote public health and mental health programs.

Miscellaneous Federal Grant Funds--Accounts for various grants from the Federal government used or expended for a specific purpose, activity or facility. Included in this group are seven funds which represent 1.2% of the combined revenues of the Special Revenue Funds. The largest of this group is 0.6% of the total.

Miscellaneous State Grant Funds--Accounts for various grants from the State of California used or expended for a specific purpose, activity or facility. Included in this group are thirteen funds which represent 8.6% of the combined revenues of the Special Revenue Funds. The largest of this group is 7.8% of the total.

Other Special Revenue Funds--Accounts for the activities of eighty-two non-grant Special Revenue Funds, generally established by administrative action, which include 12.6% of the combined revenues of the Special Revenue Funds. The largest fund in this group is 1.7% of the total. Most of these funds are not budgeted annually because the revenue source is not certain as of the beginning of the fiscal year, or because departments have limited expenditure authority for specific revenue sources.

The twenty-eight funds which do have annual budgets are:

- | | |
|---|---|
| 1. Animal Control and Welfare Fund | 15. State Authorized Special Revenue Fund |
| 2. Cable Television Access Development Fund | 16. Narcotics Forfeiture and Asset Seizure Fund |
| 3. Taxicab Enforcement Fund | 17. Courthouse Fund |
| 4. Rent Arbitration Board Fund | 18. 25 Van Ness Building Fund |
| 5. Representative Payee Program Fund | 19. 1660 Mission Building Fund |
| 6. Marina Yacht Harbor Fund | 20. Public Health Fund |
| 7. War Memorial Special Fund | 21. Vital and Health Statistics Fund |
| 8. Museums Admissions Fund | 22. Children's Fund |
| 9. Street Artist Program Fund | 23. Real Property Fund |
| 10. Market Street Art Maintenance Fund | 24. Admissions Fund |
| 11. Youth Arts Fund | 25. Neighborhood Beautification Fund |
| 12. Sheriff's Special Maintenance Fund | 26. Services for Outside Agencies Fund |
| 13. Domestic Violence Program Fund | 27. Automated Fingerprint ID Fund |
| 14. Automated Traffic Warrant Fund | 28. Permanent Courthouse Construction Fund |

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CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Combining Balance Sheet

June 30, 1993

With comparative totals as of June 30, 1992

(In Thousands)

ASSETS

	Hotel Tax Fund	Gasoline Tax Fund	Convention Facilities Fund	Open Space and Park Fund	Community Develop- ment Fund	Senior Citizens' Programs Fund	Candle- stick Park Fund	Special Recreation and Park Revenue Fund	San Francisco County Transportation Authority Fund	Building Inspection Fund
Deposits and investments.....	\$ 1,326	\$ 10,338	\$ 18,021	\$ 32,154	\$ 2,433	\$ -	\$ 1,412	\$ -	\$ 81,765	\$ 9,069
Investments with trustee.....	-	-	439	-	789	-	-	-	270	-
Receivables (net of allowance for uncollectible amounts of \$222 in 1993):										
Property taxes and penalties.....	-	-	-	1,184	-	-	-	-	-	-
Other local taxes.....	13,765	-	-	-	-	1,447	-	-	2,869	-
Federal and state grants and subventions.....	-	-	-	-	3,446	464	-	-	-	-
Interest and other.....	-	130	1,233	497	66	-	-	1,197	1,768	150
Due from other funds.....	-	585	16,149	-	454	74	949	972	-	25
Loans receivable.....	-	-	-	500	32,609	-	-	-	35,000	-
Inventories.....	-	-	-	-	-	-	-	120	-	-
Deferred charges and other assets.....	-	-	-	-	2	-	-	-	124	-
Total assets.....	<u>\$ 15,091</u>	<u>\$ 11,053</u>	<u>\$ 35,842</u>	<u>\$ 34,335</u>	<u>\$ 39,799</u>	<u>\$ 1,985</u>	<u>\$ 2,361</u>	<u>\$ 2,289</u>	<u>\$ 121,796</u>	<u>\$ 9,244</u>

LIABILITIES

Accounts payable.....	\$ 364	\$ 426	\$ 1,042	\$ 129	\$ 1,485	\$ 800	\$ 244	\$ 505	\$ 50	\$ 435
Accrued payroll.....	10	187	15	250	96	33	40	-	13	-
Accrued vacation and sick leave pay.....	-	-	-	-	-	-	-	-	-	-
Deferred tax, grant and subvention revenues.....	-	-	-	-	5,911	187	-	-	-	-
Due to other funds.....	12,758	2,514	444	329	147	1,220	-	1,117	-	2,111
Deferred credits and other liabilities.....	-	-	1,539	1,056	28,947	-	-	602	13,872	4,182
Total liabilities.....	<u>13,132</u>	<u>3,127</u>	<u>3,040</u>	<u>1,764</u>	<u>36,586</u>	<u>2,240</u>	<u>284</u>	<u>2,224</u>	<u>13,935</u>	<u>6,728</u>

FUND EQUITY

Reserved for inventory type assets not available for appropriation.....	\$ -	\$ -	\$ 1,450	\$ 500	\$ -	\$ -	\$ -	\$ 120	\$ 89	\$ -
Reserved for encumbrances.....	1,468	287	2,779	490	-	183	230	386	-	776
Reserved for appropriation carryforward.....	454	3,996	20,030	29,444	3,391	881	1,719	1,112	88,163	603
Unreserved-designated (deficit).....	37	3,643	8,543	2,137	(178)	(1,319)	128	(1,553)	19,609	1,137
Total fund equity.....	<u>1,959</u>	<u>7,926</u>	<u>32,802</u>	<u>32,571</u>	<u>3,213</u>	<u>(255)</u>	<u>2,077</u>	<u>65</u>	<u>107,861</u>	<u>2,516</u>
Total liabilities and fund equity.....	<u>\$ 15,091</u>	<u>\$ 11,053</u>	<u>\$ 35,842</u>	<u>\$ 34,335</u>	<u>\$ 39,799</u>	<u>\$ 1,985</u>	<u>\$ 2,361</u>	<u>\$ 2,289</u>	<u>\$ 121,796</u>	<u>\$ 9,244</u>

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Combining Balance Sheet-(Continued)

June 30, 1993

With comparative totals as of June 30, 1992

(In Thousands)

ASSETS

Health and Human Services Fund	Off- Street Parking Fund	State Department of Transportation Fund	State Housing and Community Development Fund	Depart- ment of Health Fund	Miscel- laneous Federal Funds	Miscel- laneous State Grant Funds	Other Special Revenue Funds	Total		
								1993	1992	
\$ -	\$ 3,551	\$ 631	\$ -	\$ 4,014	\$ -	\$ 5,393	\$ 21,825	\$ 191,932	\$ 177,354	Deposits and investments
-	-	-	-	-	-	-	6,519	8,017	5,714	Investments with trustee
-	-	-	-	-	-	-	226	1,410	1,202	Receivables (net of allowance for uncollectible amounts of \$222 in 1993):
-	-	-	-	-	-	-	-	18,061	17,503	Property taxes and penalties
										Other local taxes
										Federal and state grants and subventions
10,169	-	1,518	1,013	7,808	5,230	3,009	983	33,640	38,439	Interest and other
	15			84			351	5,491	5,362	Due from other funds
52	1,974	-	-	686	516	10	52,948	75,394	59,483	Loans receivable
-	-	-	-	-	-	-	318	68,427	33,200	Inventories
-	-	-	-	-	-	-	430	550	415	Deferred charges and other assets
3	-	-	-	-	28	70	9,892	10,119	9,849	
<u>\$ 10,224</u>	<u>\$ 5,540</u>	<u>\$ 2,149</u>	<u>\$ 1,013</u>	<u>\$ 12,592</u>	<u>\$ 5,774</u>	<u>\$ 8,482</u>	<u>\$ 93,492</u>	<u>\$ 413,061</u>	<u>\$ 348,521</u>	Total assets

LIABILITIES

\$ 3,748	\$ 182	\$ 98	\$ 7	\$ 1,149	\$ 678	\$ 128	\$ 6,922	\$ 18,392	\$ 14,877	Accounts payable
331	120	-	-	165	17	66	4,730	6,073	4,678	Accrued payroll
-	-	-	-	-	-	-	6,701	6,701	5,935	Accrued vacation and sick leave pay
1,771	-	561	-	8,913	1,039	4,466	-	22,848	24,699	Deferred tax, grant and subvention revenues
4,371	744	1,490	1,006	2,365	4,012	3,822	17,940	56,390	41,344	Due to other funds
3	1,385	-	-	-	28	-	9,661	61,275	55,251	Deferred credits and other liabilities
<u>\$ 10,224</u>	<u>\$ 2,431</u>	<u>\$ 2,149</u>	<u>\$ 1,013</u>	<u>\$ 12,592</u>	<u>\$ 5,774</u>	<u>\$ 8,482</u>	<u>\$ 45,954</u>	<u>\$ 171,679</u>	<u>\$ 146,784</u>	Total liabilities

FUND EQUITY

-	508	-	-	-	-	-	9,283	11,950	2,538	Reserved for inventory type assets not available for appropriation
-	1,414	-	-	-	-	-	5,603	13,616	19,356	Reserved for encumbrances
-	1,474	-	-	-	-	-	15,082	166,349	138,262	Reserved for appropriation carryforward
-	(287)	-	-	-	-	-	17,570	49,467	41,581	Unreserved-undesignated (deficit)
-	3,109	-	-	-	-	-	47,538	241,382	201,737	Total fund equity
<u>\$ 10,224</u>	<u>\$ 5,540</u>	<u>\$ 2,149</u>	<u>\$ 1,013</u>	<u>\$ 12,592</u>	<u>\$ 5,774</u>	<u>\$ 8,482</u>	<u>\$ 93,492</u>	<u>\$ 413,061</u>	<u>\$ 348,521</u>	Total liabilities and fund equity

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUND

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Year ended June 30, 1993

With comparative totals for the year ended June 30, 1992

(In Thousands)

	Hotel Tax Fund	Gasoline Tax Fund	Convention Facilities Fund	Open Space and Park Fund	Community Develop- ment Fund	Senior Citizens' Programs Fund	Candlestick Park Fund	Special Recreation and Park Revenue Fund	San Francisco County Transportation Authority Fund	Building Inspection Fund
Revenues:										
Property taxes.....	\$ -	\$ -	\$ -	\$ 13,759	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Business taxes.....	-	-	-	-	-	-	-	-	-	-
Other local taxes.....	55,449	-	-	-	-	5,987	523	-	42,948	-
Grants, subventions and other allocations.....	-	18,301	-	175	20,071	4,607	-	49	-	-
Licenses, fines and penalties.....	-	242	-	-	-	-	-	-	-	3,111
Interest and investment earnings.....	-	481	-	1,694	2,141	-	-	5	6,335	529
Charges for services.....	-	446	12,546	15	74	2	8,767	16,941	-	10,572
Other.....	-	52	-	50	478	-	-	9	35	-
Total revenues.....	55,449	19,522	12,546	15,693	22,764	10,596	9,290	17,004	49,318	14,212
Expenditures:										
Public protection.....	-	-	-	-	-	-	-	-	-	-
Public works, transportation and commerce.....	-	26,843	-	-	-	-	-	-	-	17,190
Human welfare and neighborhood development.....	-	-	-	-	20,255	12,155	-	-	-	-
Community health										
Culture and recreation.....	169	-	17,881	9,579	-	2	6,929	9,627	-	-
General administration and finance.....	9,105	-	2,744	-	-	-	-	-	741	-
Capital outlay.....	-	-	-	-	-	-	-	-	4,531	-
Total expenditures.....	9,274	26,843	20,625	9,579	20,255	12,157	6,929	9,627	5,272	17,190
Excess (deficiency) of revenues over (under) expenditures.....	46,175	(7,321)	(8,079)	6,114	2,509	(1,561)	2,361	7,377	44,046	(2,978)
Other financing sources (uses):										
Operating transfers in.....	-	5,565	40,025	-	139	2,264	3,451	539	-	-
Operating transfers out.....	(45,873)	(491)	(22,670)	(2,769)	(172)	(477)	(6,946)	(9,820)	(21,642)	(100)
Proceeds from bond issuance	-	-	-	-	-	-	-	-	-	-
	(45,873)	5,074	17,355	(2,769)	(33)	1,787	(3,495)	(9,281)	(21,642)	(100)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses.....	302	(2,247)	9,276	3,345	2,476	226	(1,134)	(1,904)	22,404	(3,078)
Fund balances at beginning of year.....	1,657	10,173	23,231	29,226	737	(481)	3,211	1,850	85,429	5,594
Residual equity transfers.....	-	-	-	-	-	-	-	-	-	-
Net change in reserve for inventory type assets not available for appropriation.....	-	-	295	-	791	-	-	119	28	-
Fund balances (deficit) at end of year.....	\$ 1,959	\$ 7,926	\$ 32,802	\$ 32,571	\$ 3,213	\$ (255)	\$ 2,077	\$ 65	\$ 107,861	\$ 2,516

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUND

Combining Statement of Revenues, Expenditures and Changes in Fund Balances--(Continued)

Year ended June 30, 1993

With comparative totals for the year ended June 30, 1992

(In Thousands)

Health and Human Services Fund	Off-Street Parking Fund	State Department of Transportation Fund	State Housing and Community Development Fund	Department of Health Fund	Miscellaneous Federal Grants Funds	Miscellaneous State Grant Funds	Other Special Revenue Funds	Total	
								1993	1992
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,012	\$ 19,771	\$ 13,195
-	-	-	-	-	-	-	427	427	365
-	-	-	-	-	-	-	136	105,043	100,777
33,525	-	4,086	1,149	17,749	4,461	31,520	5,251	140,944	113,780
-	-	-	-	-	1	-	3,025	6,379	5,022
-	1,677	-	-	301	9	-	1,993	15,165	13,141
-	695	1	-	2	-	-	25,378	75,439	64,755
-	-	-	-	-	-	-	1,656	2,280	1,770
33,525	2,372	4,087	1,149	18,052	4,471	31,520	43,878	365,448	312,805
Revenues:									
								Total revenues	
								Expenditures:	
-	-	-	-	-	3	2,648	5,479	8,130	7,514
-	8,787	301	-	-	418	-	2,575	56,114	64,093
-	-	-	-	-	249	114	4,333	37,106	37,431
32,701	-	-	-	16,955	429	-	1,288	51,374	44,317
-	21	-	-	-	192	188	7,845	52,433	51,679
-	-	-	1,149	-	3,341	50	9,321	26,451	22,979
-	-	-	-	-	-	-	5,937	10,468	-
32,701	8,808	301	1,149	16,955	4,632	3,000	36,778	242,076	228,013
824	(6,436)	3,786	-	1,096	(161)	28,520	7,100	123,372	84,792
-	2,606	-	-	-	161	86	8,337	21,679*	16,464
(824)	(7)	(3,786)	-	(1,096)	-	(28,606)	(12,609)	(116,394)*	(55,719)
-	-	-	-	-	-	-	10,611	10,611	-
(824)	2,599	(3,786)	0	(1,096)	161	(28,520)	6,339	(84,104)	(39,255)
-	(3,837)	-	-	-	-	-	13,439	39,268	45,537
-	7,093	-	-	-	-	-	34,017	201,737	164,171
-	-	-	-	-	-	-	-	-	(4,272)
-	(147)	-	-	-	-	-	82	377	(3,699)
-	\$ 3,109	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 47,538	\$ 241,382	\$ 201,737
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses									
Fund balances at beginning of year									
Residual equity transfers									
Net change in reserve for inventory type assets not available for appropriation									
Fund balances (deficit) at end of year									

* Net of \$41,494 of intrafund eliminations

CITY & COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Schedule of Revenues, Expenditures and Other Financing Sources (Uses) –
Individual Fund Groupings

Year ended June 30, 1993

(In Thousands)

<u>Fund</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Other Financing Sources (Uses)</u>	<u>Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures, and Other Uses</u>
MISCELLANEOUS FEDERAL GRANT FUNDS				
Department of Agriculture.....	\$ 601	\$ 601	\$ -	\$ -
Department of Interior.....	89	89	-	-
Department of Health and Human Services.....	2,113	2,274	161	-
Department of Housing and Urban Development.....	1,054	1,054	-	-
Department of Education.....	96	96	-	-
Federal Emergency Management Agency.....	418	418	-	-
Other Federal Grants.....	100	100	-	-
	<u>\$ 4,471</u>	<u>\$ 4,632</u>	<u>\$ 161</u>	<u>\$ -</u>
MISCELLANEOUS STATE GRANT FUNDS				
Department of Criminal Justice.....	\$ 1,644	\$ 1,674	\$ 30	\$ -
California Board of Correction.....	28,583	234	(28,349)	-
Department of Parks and Recreation.....	103	4	(99)	-
Department of Health.....	113	113	-	-
California Secretary of Environmental Affairs....	15	15	-	-
California Department of Business and Transportation.....	163	163	-	-
California Public Libraries Services.....	161	159	(2)	-
State Board of Control.....	212	212	-	-
California State Youth Authority.....	106	6	(100)	-
California Coastal Commission.....	2	2	-	-
Department of Commerce.....	3	3	-	-
Department of Consumer Affairs.....	392	392	-	-
California Arts Council.....	23	23	-	-
	<u>\$ 31,520</u>	<u>\$ 3,000</u>	<u>\$ (28,520)</u>	<u>\$ -</u>

(Continued)

CITY & COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Schedule of Revenues, Expenditures and Other Financing Sources (Uses) –
Individual Fund Groupings – (Continued)

Year ended June 30, 1993

(In Thousands)

<u>Fund</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Other Financing Sources (Uses)</u>	<u>Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures, and Other Uses</u>
OTHER SPECIAL REVENUE FUNDS				
Animal Control and Welfare.....	\$ 186	\$ 35	\$ (147)	\$ 4
DPW Strong Motion (Seismic).....	8	—	—	8
DPW Excavation Deposits.....	574	313	—	261
DPW subdivision Map Review.....	684	807	—	(123)
DPW Special Engineering Inspection.....	280	164	—	116
Downtown Park.....	76	88	—	(12)
Defective Sidewalk Repair.....	—	31	—	(31)
DPW Building Repairs and Demolitions.....	73	—	—	73
SF Marina Yacht Harbor.....	—	—	(41)	(41)
Special Animal Purchase and Exchange.....	8	—	—	8
Information Publication.....	299	—	—	299
Off Highway Vehicle.....	22	—	—	22
Marina Yacht Harbor.....	1,236	1,131	34	139
War Memorial Special.....	1,215	5,463	4,065	(183)
War Memorial Reserve.....	218	10	(84)	124
Engineer Services.....	1	1	—	—
Health Service System.....	610	734	124	—
Tenants' Overtime Services.....	194	174	—	20
Museums Admissions.....	826	861	—	(35)
Performing Arts.....	585	319	—	266
Street Artist Program.....	156	103	—	53
Film Production Permit.....	98	80	—	18
Library Publication.....	1	—	—	1
Library Special Collection.....	154	153	—	1
Department of Electricity Custom Work.....	1	—	—	1
DPW Construction Inspection.....	205	109	(24)	72
SF Transportation Authority Services.....	2,729	1,757	(1,893)	(921)
Services for Outside Agencies.....	364	476	(5)	(117)
Real Property General.....	28	—	(1,500)	(1,472)
Real Estate.....	566	300	(16)	250
Special Law Enforcement.....	1,794	1,238	—	556
Cable Television Access Development.....	136	110	(78)	(52)
Agricultural Weights and Measure.....	3	5	7	5
Street Lighting Advance Payments.....	65	80	—	(15)
Driver Laboratory Test Costs.....	58	50	—	8
Police Peace Officer Training.....	740	650	—	90
Sheriff's Peace Officer Training.....	124	38	—	86
Sheriff's Special Maintenance.....	173	—	(153)	20

(Continued)

CITY & COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Schedule of Revenues, Expenditures and Other Financing Sources (Uses) –
Individual Fund Groupings – (Continued)

Year ended June 30, 1993

(In Thousands)

<u>Fund</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Other Financing Sources (Uses)</u>	<u>Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures, and Other Uses</u>
OTHER SPECIAL REVENUE FUNDS—Continued				
Sheriff's Inmate Program.....	\$ 370	\$ 192	\$ —	\$ 178
Domestic Violence Program.....	152	143	19	28
State Authorized Special Revenue.....	1,121	726	—	395
Automated Fingerprint ID.....	—	1,364	2,559	1,195
DPW Utilities Construction.....	44	—	(34)	10
Narcotics Forfeiture.....	1,416	1,485	(504)	(573)
Development Agreement.....	91	—	—	91
DPW Delinquent Refuse Collection.....	1,905	1,583	—	322
Side Sewer Installation.....	—	—	(519)	(519)
Alcoholic Rehabilitation Program.....	—	—	(14)	(14)
Affordable Housing.....	378	668	—	(290)
Affordable Child Care.....	—	69	—	(69)
Social Service Children's Program.....	132	124	—	8
Automated Traffic Warrants System.....	12	—	(40)	(28)
Dispute Resolution Program.....	177	172	—	5
Public Utilities Commission.....	332	—	(332)	—
Work Order Services.....	310	—	(310)	—
Courthouse Construction.....	5,093	1	—	5,092
Stores Inventory.....	150	—	(150)	—
Central Shop Fuel Stores.....	1	—	—	1
Representative Payee Program.....	293	—	(315)	(22)
Police Crime Laboratory.....	13	—	—	13
County Automated Fingerprint.....	1,514	—	(1,514)	—
Civil Service.....	7	5	—	2
Youth Arts.....	99	88	—	11
Market Street Art Maintenance.....	65	27	(8)	30
Workers' Compensation.....	—	1	—	(1)
Vital and Health Statistics.....	12	7	—	5
Children's Fund.....	6,162	2,652	(238)	3,272
Rent Arbitration Board.....	1,388	1,463	—	(75)
School Deposits.....	3,692	2,628	(2)	1,062
Taxicab Enforcement.....	108	—	(59)	49
Housing Program Fees.....	222	—	(105)	117
25 Van Ness Project.....	3,080	1,476	(2,939)	(1,335)
1660 Mission Building.....	58	5,937	10,580	4,701
Vehicle Theft Crimes.....	442	350	—	92
Neighborhood Beautification.....	464	247	(25)	192
Code Enforcement and Rehabilitation.....	85	90	—	(5)
	<u>\$ 44,248</u>	<u>\$ 36,970</u>	<u>\$ 6,339</u>	<u>\$ 13,617</u>

(Continued)

CITY AND COUNTY OF SAN FRANCISCO
SPECIAL REVENUE FUNDS
Combining Schedule of Revenues, Expenditures,
Encumbrances and Changes in Fund Balances-
Budget and Actual-Budget Basis

Year ended June 30, 1993

(In Thousands)

	Hotel Tax Fund			Gasoline Tax Fund		
	Revised Budget	Actual	Variance- Favorable (Unfavorable)	Revised Budget	Actual	Variance- Favorable (Unfavorable)
Revenues:						
Property taxes.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other local taxes.....	55,562	55,449	(113)	-	-	-
Grants, subventions and other allocations.....	-	-	-	19,019	18,243	(776)
Licenses, fines and penalties.....	-	-	-	250	242	(8)
Interest and investment earnings.....	-	-	-	650	481	(169)
Charges for services.....	-	-	-	329	446	117
Other.....	-	-	-	-	27	27
Total revenues.....	<u>55,562</u>	<u>55,449</u>	<u>(113)</u>	<u>20,248</u>	<u>19,439</u>	<u>(809)</u>
Expenditures and encumbrances:						
Public protection.....	-	-	-	-	-	-
Public works, transportation and commerce.....	-	-	-	27,573	26,296	1,277
Human welfare and neighborhood development	-	-	-	-	-	-
Community health.....	-	-	-	-	-	-
Culture and recreation.....	169	169	-	-	-	-
General administration and finance.....	10,186	10,176	10	-	-	-
Total expenditures and encumbrances.....	<u>10,355</u>	<u>10,345</u>	<u>10</u>	<u>27,573</u>	<u>26,296</u>	<u>1,277</u>
Excess (deficiency) of revenues over (under) expenditures and encumbrances.....	<u>45,207</u>	<u>45,104</u>	<u>(103)</u>	<u>(7,325)</u>	<u>(6,857)</u>	<u>468</u>
Other financing sources(uses):						
Operating transfers in.....	-	-	-	6,760	5,564	(1,196)
Operating transfers out.....	(46,316)	(45,873)	443	(213)	(490)	(277)
	<u>(46,316)</u>	<u>(45,873)</u>	<u>443</u>	<u>6,547</u>	<u>5,074</u>	<u>(1,473)</u>
Excess (deficiency) of revenues and other sources over (under) expenditures, encumbrances and other uses.....	<u>(1,109)</u>	<u>(769)</u>	<u>340</u>	<u>(778)</u>	<u>(1,783)</u>	<u>(1,005)</u>
Fund balances at beginning of year.....	1,259	1,259	-	8,525	8,525	-
Use of contingency reserve.....	-	-	-	359	359	-
Fund balances at end of year.....	<u>\$ 150</u>	<u>\$ 490</u>	<u>\$ 340</u>	<u>\$ 8,106</u>	<u>\$ 7,101</u>	<u>\$ (1,005)</u>

(Continued)

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Combining Schedule of Revenues, Expenditures,
Encumbrances and Changes in Fund Balances-
Budget and Actual-Budget Basis-(Continued)

Year ended June 30, 1993

(In Thousands)

	Convention Facilities Fund			Open Space and Park Fund		
	Revised Budget	Actual	Variance- Favorable (Unfavorable)	Revised Budget	Actual	Variance- Favorable (Unfavorable)
Revenues:						
Property taxes.....	\$ -	\$ -	\$ -	\$ 13,915	\$ 13,987	\$ 72
Other local taxes.....	-	-	-	-	-	-
Grants, subventions and other allocations.....	-	-	-	170	175	5
Licenses, fines and penalties.....	-	-	-	-	-	-
Interest and investment earnings.....	-	-	-	1,718	1,694	(24)
Charges for services.....	7,555	12,545	4,990	2	15	13
Other.....	-	-	-	50	50	-
Total revenues.....	7,555	12,545	4,990	15,855	15,921	66
Expenditures and encumbrances:						
Public protection.....	-	-	-	-	-	-
Public works, transportation and commerce.....	-	-	-	-	-	-
Human welfare and neighborhood development	-	-	-	-	-	-
Community health.....	-	-	-	-	-	-
Culture and recreation.....	21,540	17,891	3,649	10,607	9,865	742
General administration and finance.....	1,946	1,945	1	-	-	-
Total expenditures and encumbrances.....	23,486	19,836	3,650	10,607	9,865	742
Excess (deficiency) of revenues over (under) expenditures and encumbrances.....	(15,931)	(7,291)	8,640	5,248	6,056	808
Other financing sources(uses):						
Operating transfers in.....	40,123	40,025	(98)	-	-	-
Operating transfers out.....	(22,669)	(22,670)	(1)	(2,769)	(2,769)	-
	17,454	17,355	(99)	(2,769)	(2,769)	-
Excess (deficiency) of revenues and other sources over (under) expenditures, encumbrances and other uses.....	1,523	10,064	8,541	2,479	3,287	808
Fund balances at beginning of year.....	18,505	18,505	-	28,507	28,507	-
Use of contingency reserve.....	4	4	-	(212)	(212)	-
Fund balances at end of year.....	\$ 20,032	\$ 28,573	\$ 8,541	\$ 30,774	\$ 31,582	\$ 808

(Continued)

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Combining Schedule of Revenues, Expenditures,
Encumbrances and Changes in Fund Balances-
Budget and Actual-Budget Basis-(Continued)

Year ended June 30, 1993

(In Thousands)

	Senior Citizens' Program Fund			Candlestick Park Fund		
	Revised Budget	Actual	Variance- Favorable (Unfavorable)	Revised Budget	Actual	Variance- Favorable (Unfavorable)
Revenues:						
Property taxes.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other local taxes.....	6,000	5,987	(13)	1,734	524	(1,210)
Grants, subventions and other allocations.....	4,662	4,604	(58)	-	-	-
Licenses, fines and penalties.....	-	-	-	-	-	-
Interest and investment earnings.....	-	-	-	-	-	-
Charges for services.....	6	2	(4)	7,152	8,767	1,615
Other.....	-	-	-	-	-	-
Total revenues.....	<u>10,668</u>	<u>10,593</u>	<u>(75)</u>	<u>8,886</u>	<u>9,291</u>	<u>405</u>
Expenditures and encumbrances:						
Public protection.....	-	-	-	-	-	-
Public works, transportation and commerce.....	-	-	-	-	-	-
Human welfare and neighborhood development.....	12,077	12,083	(6)	-	-	-
Community health.....	-	-	-	-	-	-
Culture and recreation.....	-	-	-	7,163	7,019	144
General administration and finance.....	-	-	-	-	-	-
Total expenditures and encumbrances.....	<u>12,077</u>	<u>12,083</u>	<u>(6)</u>	<u>7,163</u>	<u>7,019</u>	<u>144</u>
Excess (deficiency) of revenues over (under) expenditures and encumbrances.....	<u>(1,409)</u>	<u>(1,490)</u>	<u>(81)</u>	<u>1,723</u>	<u>2,272</u>	<u>549</u>
Other financing sources(uses):						
Operating transfers in.....	2,264	2,264	-	3,462	3,451	(11)
Operating transfers out.....	<u>(478)</u>	<u>(477)</u>	<u>1</u>	<u>(7,446)</u>	<u>(6,946)</u>	<u>500</u>
	<u>1,786</u>	<u>1,787</u>	<u>1</u>	<u>(3,984)</u>	<u>(3,495)</u>	<u>489</u>
Excess (deficiency) of revenues and other sources over (under) expenditures, encumbrances and other uses.....	<u>377</u>	<u>297</u>	<u>(80)</u>	<u>(2,261)</u>	<u>(1,223)</u>	<u>1,038</u>
Fund balances at beginning of year.....	(736)	(736)	-	3,061	3,061	-
Use of contingency reserve.....	-	-	-	10	10	-
Fund balances at end of year.....	<u>\$ (359)</u>	<u>\$ (439)</u>	<u>\$ (80)</u>	<u>\$ 810</u>	<u>\$ 1,848</u>	<u>\$ 1,038</u>

(Continued)

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Combining Schedule of Revenues, Expenditures,
Encumbrances and Changes in Fund Balances-
Budget and Actual-Budget Basis-(Continued)

Year ended June 30, 1993

(In Thousands)

	Special Recreation and Park Revenue Fund			Building Inspection Fund		
	Revised Budget	Actual	Variance- Favorable (Unfavorable)	Revised Budget	Actual	Variance- Favorable (Unfavorable)
Revenues:						
Property taxes.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other local taxes.....	-	-	-	-	-	-
Grants, subventions and other allocations.....	49	49	-	-	-	-
Licenses, fines and penalties.....	-	-	-	2,957	3,111	154
Interest and investment earnings.....	-	6	6	400	529	129
Charges for services.....	18,543	16,941	(1,602)	15,149	10,611	(4,538)
Other.....	-	9	9	-	-	-
Total revenues.....	18,592	17,005	(1,587)	18,506	14,251	(4,255)
Expenditures and encumbrances:						
Public protection.....	-	-	-	-	-	-
Public works, transportation and commerce.....	-	-	-	19,019	17,227	1,792
Human welfare and neighborhood development.....	-	-	-	-	-	-
Community health.....	-	-	-	-	-	-
Culture and recreation.....	9,693	9,828	(135)	-	-	-
General administration and finance.....	-	-	-	-	-	-
Total expenditures and encumbrances.....	9,693	9,828	(135)	19,019	17,227	1,792
Excess (deficiency) of revenues over (under) expenditures and encumbrances.....	8,899	7,177	(1,722)	(513)	(2,976)	(2,463)
Other financing sources(uses):						
Operating transfers in.....	539	539	-	128	-	(128)
Operating transfers out.....	(9,820)	(9,820)	-	(100)	(100)	-
	(9,281)	(9,281)	-	28	(100)	(128)
Excess (deficiency) of revenues and other sources over (under) expenditures, encumbrances and other uses.....	(382)	(2,104)	(1,722)	(485)	(3,076)	(2,591)
Fund balances at beginning of year.....	1,671	1,671	-	4,771	4,771	-
Use of contingency reserve.....	(13)	(13)	-	44	44	-
Fund balances at end of year.....	\$ 1,276	\$ (446)	\$ (1,722)	\$ 4,330	\$ 1,739	\$ (2,591)

(Continued)

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Combining Schedule of Revenues, Expenditures,
Encumbrances and Changes in Fund Balances-
Budget and Actual-Budget Basis-(Continued)

Year ended June 30, 1993

(In Thousands)

	Off Street Parking Fund			Other Special Revenue Funds		
	Revised Budget	Actual	Variance- Favorable (Unfavorable)	Revised Budget	Actual	Variance- Favorable (Unfavorable)
Revenues:						
Property taxes.....	\$ -	\$ -	\$ -	\$ 5,763	\$ 6,012	\$ 249
Business taxes.....	-	-	-	450	427	(23)
Other local taxes.....	-	-	-	123	136	13
Grants, subventions and other allocations.....	-	-	-	2,139	1,501	(638)
Licenses, fines and penalties.....	-	-	-	788	1,660	872
Interest and investment earnings.....	1,438	1,677	239	69	865	796
Charges for services.....	2,646	695	(1,951)	10,696	13,864	3,168
Other.....	-	-	-	213	225	12
Total revenues.....	4,084	2,372	(1,712)	20,241	24,690	4,449
Expenditures and encumbrances:						
Public protection.....	13	-	13	4,104	3,584	520
Public works, transportation and commerce.....	9,454	8,835	619	34	34	-
Human welfare and neighborhood development	-	-	-	5,853	5,747	106
Community health.....	-	-	-	1,995	1,995	-
Culture and recreation.....	18	17	1	8,304	7,680	624
General administration and finance.....	-	-	-	3,436	3,435	1
Total expenditures and encumbrances.....	9,485	8,852	633	23,726	22,475	1,251
Excess (deficiency) of revenues over (under) expenditures and encumbrances.....	(5,401)	(6,480)	(1,079)	(3,485)	2,215	5,700
Other financing sources(uses):						
Operating transfers in.....	5,764	2,606	(3,158)	8,222	8,206	(16)
Operating transfers out.....	(7)	(7)	-	(4,602)	(4,601)	1
	5,757	2,599	(3,158)	3,620	3,605	(15)
Excess (deficiency) of revenues and other sources over (under) expenditures, encumbrances and other uses.....	356	(3,881)	(4,237)	135	5,820	5,685
Fund balances at beginning of year.....	5,405	5,405	-	20,925	20,925	-
Use of contingency reserve.....	40	40	-	(271)	(271)	-
Fund balances at end of year.....	\$ 5,801	\$ 1,564	\$ (4,237)	\$ 20,789	\$ 26,474	\$ 5,685

(Continued)

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Combining Schedule of Revenue, Expenditures,
Encumbrances and Changes in Fund Balances -
Budget and Actual - Budget Basis - (Continued)
Year ended June 30, 1993

(In Thousands)

	Total - Annually Budgeted Funds		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Property taxes	\$ 19,678	\$ 19,999	\$ 321
Business taxes	450	427	(23)
Other local taxes	63,419	62,096	(1,323)
Grants, subventions and other allocations	26,039	24,572	(1,467)
Licenses, fines and penalties	3,995	5,013	1,018
Interest and investment earnings	4,275	5,252	977
Charges for services	62,078	63,886	1,808
Other	263	311	48
Total revenues	180,197	181,556	1,359
Expenditures and encumbrances:			
Public protection	4,117	3,584	533
Public works, transportation and commerce	56,080	52,392	3,688
Human welfare and neighborhood development	17,930	17,830	100
Community health	1,995	1,995	-
Culture and recreation	57,494	52,469	5,025
General administration and finance	15,568	15,556	12
Total expenditures and encumbrances	153,184	143,826	9,358
Excess revenues over expenditures and encumbrances	27,013	37,730	10,717
Other financing sources (uses):			
Operating transfers in	67,262	62,655	(4,607)
Operating transfers out	(94,420)	(93,753)	667
	(27,158)	(31,098)	(3,940)
Excess (deficiency) of revenues and other sources over (under) expenditures, encumbrances and other uses	(145)	6,632	6,777
Fund balances at beginning of year	91,893	91,893	-
Use of contingency reserve	(39)	(39)	-
Fund balances at end of year	\$ 91,709	\$ 98,486	\$ 6,777

CITY & COUNTY OF SAN FRANCISCO
SPECIAL REVENUE FUNDS
Schedule of Other Special Revenue Funds
Budget and Actual—Budget Basis

Year ended June 30, 1993

(In Thousands)

<u>Fund</u>	<u>Revenues</u>	<u>Expenditures and Encumbrances</u>	<u>Other Financing Sources (Uses)</u>	<u>Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures, and Other Uses</u>
ANIMAL CONTROL AND WELFARE FUND				
Revised budget.....	\$ 182	\$ 35	\$ (147)	\$ —
Actual.....	186	33	(147)	6
Variance—favorable/(unfavorable).....	4	2	—	6
NARCOTIC FORFEITURE AND ASSET SEIZURE FUND				
Revised budget.....	1,416	1,697	(505)	(786)
Actual.....	1,416	1,697	(505)	(786)
Variance—favorable/(unfavorable).....	—	—	—	—
CABLE TELEVISION ACCESS DEVELOPMENT FUND				
Revised budget.....	123	116	(78)	(71)
Actual.....	136	116	(78)	(59)
Variance—favorable/(unfavorable).....	13	—	—	13
SPECIAL REVENUE FUND — COURTHOUSE				
Revised budget.....	509	339	—	170
Actual.....	4,667	339	—	4,328
Variance—favorable/(unfavorable).....	4,158	—	—	4,158
TAXICAB ENFORCEMENT FUND				
Revised budget.....	107	—	(61)	46
Actual.....	107	—	(60)	47
Variance—favorable/(unfavorable).....	—	—	1	1
RENT ARBITRATION BOARD FUND				
Revised budget.....	1,585	1,570	—	15
Actual.....	1,388	1,469	—	(81)
Variance—favorable/(unfavorable).....	(197)	101	—	(96)
25 VAN NESS BUILDING				
Revised budget.....	1,975	1,825	—	150
Actual.....	1,877	1,825	—	52
Variance—favorable/(unfavorable).....	(98)	—	—	(98)
SPECIAL REVENUE FUND — PUBLIC HEALTH				
Revised budget.....	1,726	1,806	—	(80)
Actual.....	1,874	1,805	—	69
Variance—favorable/(unfavorable).....	148	1	—	149
VITAL AND HEALTH STATISTICS FEES				
Revised budget.....	15	6	—	9
Actual.....	12	7	—	5
Variance—favorable/(unfavorable).....	(3)	(1)	—	(4)
CHILDREN'S FUND				
Revised budget.....	5,763	4,133	(238)	1,392
Actual.....	6,163	4,133	(238)	1,792
Variance—favorable/(unfavorable).....	400	—	—	400

(Continued)

CITY & COUNTY OF SAN FRANCISCO
SPECIAL REVENUE FUNDS
Schedule of Other Special Revenue Funds
Budget and Actual—Budget Basis—(Continued)

Year ended June 30, 1993

(In Thousands)

<u>Fund</u>	<u>Revenues</u>	<u>Expenditures and Encumbrances</u>	<u>Other Financing Sources (Uses)</u>	<u>Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures, and Other Uses</u>
REPRESENTATIVE PAYEE PROGRAM FUND				
Revised budget.....	315	—	(315)	—
Actual.....	293	—	(315)	(22)
Variance—favorable/(unfavorable).....	(22)	—	—	(22)
MARINA YACHT HARBOR FUND				
Revised budget.....	1,200	1,320	34	(86)
Actual.....	1,236	1,181	34	89
Variance—favorable/(unfavorable).....	36	139	—	175
WAR MEMORIAL SPECIAL FUND				
Revised budget.....	1,229	5,838	4,082	(527)
Actual.....	1,215	5,420	4,065	(140)
Variance—favorable/(unfavorable).....	(14)	418	(17)	387
REAL PROPERTY — GENERAL				
Revised budget.....	—	—	(1,500)	(1,500)
Actual.....	—	—	(1,500)	(1,500)
Variance—favorable/(unfavorable).....	—	—	—	—
MUSEUMS ADMISSIONS FUND				
Revised budget.....	1,263	930	—	333
Actual.....	826	861	—	(35)
Variance—favorable/(unfavorable).....	(437)	69	—	(368)
STREET ARTIST PROGRAM FUND				
Revised budget.....	121	102	—	19
Actual.....	156	102	—	54
Variance—favorable/(unfavorable).....	35	—	—	35
MARKET STREET ART MAINTENANCE FUND				
Revised budget.....	55	27	(8)	20
Actual.....	65	27	(8)	30
Variance—favorable/(unfavorable).....	10	—	—	10
YOUTH ARTS FUND				
Revised budget.....	85	88	—	(3)
Actual.....	100	88	—	12
Variance—favorable/(unfavorable).....	15	—	—	15
NEIGHBORHOOD BEAUTIFICATION FUND				
Revised budget.....	450	345	(25)	80
Actual.....	463	345	(24)	94
Variance—favorable/(unfavorable).....	13	—	1	14
SERVICES FOR OUTSIDE AGENCIES FUND				
Revised budget.....	1,076	613	(5)	458
Actual.....	364	613	(5)	(254)
Variance—favorable/(unfavorable).....	(712)	—	—	(712)

(Continued)

CITY & COUNTY OF SAN FRANCISCO
SPECIAL REVENUE FUNDS
Schedule of Other Special Revenue Funds
Budget and Actual—Budget Basis—(Continued)
Year ended June 30, 1993
(In Thousands)

Fund	Revenues	Expenditures and Encumbrances	Other Financing Sources (Uses)	Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures, and Other Uses
SHERIFF'S SPECIAL MAINTENANCE FUND				
Revised budget.....	153	214	(153)	(214)
Actual.....	<u>173</u>	<u>—</u>	<u>(153)</u>	<u>20</u>
Variance—favorable/(unfavorable).....	20	214	—	234
DOMESTIC VIOLENCE PROGRAM FUND				
Revised budget.....	150	150	19	19
Actual.....	<u>151</u>	<u>145</u>	<u>19</u>	<u>25</u>
Variance—favorable/(unfavorable).....	1	5	—	6
AUTOMATED TRAFFIC WARRANT FUND				
Revised budget.....	52	—	(40)	12
Actual.....	<u>12</u>	<u>—</u>	<u>(40)</u>	<u>(28)</u>
Variance—favorable/(unfavorable).....	(40)	—	—	(40)
STATE AUTHORIZED SPECIAL REVENUE FUNDS				
Revised budget.....	691	808	—	(117)
Actual.....	<u>1,810</u>	<u>808</u>	<u>—</u>	<u>1,002</u>
Variance—favorable/(unfavorable).....	1,119	—	—	1,119
AUTOMATED FINGERPRINT ID FUND				
Revised budget.....	—	1,764	2,560	796
Actual.....	<u>—</u>	<u>1,461</u>	<u>2,560</u>	<u>1,099</u>
Variance—favorable/(unfavorable).....	—	303	—	303
TOTAL OTHER SPECIAL REVENUE FUNDS				
Revised budget.....	20,241	23,726	3,620	135
Actual.....	<u>24,690</u>	<u>22,475</u>	<u>3,605</u>	<u>5,820</u>
Variance—favorable/(unfavorable).....	<u>\$ 4,449</u>	<u>\$ 1,251</u>	<u>\$ (15)</u>	<u>\$ 5,685</u>

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Schedule of Expenditures and Encumbrances by Department
Budget and Actual - Budget Basis

Year ended June 30, 1993

(In Thousands)

	Revised Budget	Actual	Variance Favorable (Unfavorable)
HOTEL TAX FUND			
Culture and Recreation			
Art Commission.....	\$ 169	\$ 169	\$ -
General Administration and Finance			
Treasurer/Tax Collector.....	101	101	-
Chief Administrative Officer.....	10,085	10,075	10
	10,186	10,176	10
Total Hotel Tax Fund.....	10,355	10,345	10
GASOLINE TAX FUND			
Public Works, Transportation and Commerce			
Parking and Traffic Commission.....	7,022	6,488	534
Public Works.....	20,551	19,808	743
Total Gasoline Tax Fund.....	27,573	26,296	1,277
CONVENTION FACILITIES FUND			
Culture and Recreation			
Convention Facilities Management.....	21,540	17,891	3,649
General Administration and Finance			
Mayor.....	249	249	-
Chief Administrative Officer.....	1,697	1,696	1
	1,946	1,945	1
Total Convention Facilities Fund.....	23,486	19,836	3,650
OPEN SPACE AND PARK FUND			
Culture and Recreation			
Recreation and Park Commission.....	10,607	9,865	742
Total Open Space and Park Fund.....	10,607	9,865	742
SENIOR CITIZENS' PROGRAMS FUND			
Human Welfare and Neighborhood Development			
Commission on Aging.....	12,077	12,083	(6)
Total Senior Citizens Programs Fund.....	12,077	12,083	(6)
CANDLESTICK PARK FUND			
Culture and Recreation			
Recreation and Park Commission.....	7,163	7,019	144
Total Candlestick Park Fund.....	7,163	7,019	144
SPECIAL RECREATION AND PARK REVENUE FUND			
Culture and Recreation			
Recreation and Park Commission.....	9,693	9,828	(135)
Total Special Recreation and Park Revenue Fund..	9,693	9,828	(135)
BUILDING INSPECTION FUND			
Public Works, Transportation and Commerce			
Public Works.....	19,019	17,227	1,792
Total Building Inspection Fund.....	\$ 19,019	\$ 17,227	\$ 1,792

(Continued)

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Schedule of Expenditures and Encumbrances by Department
Budget and Actual - Budget Basis - (Continued)

Year ended June 30, 1993

(In Thousands)

	Revised Budget	Actual	Variance Favorable (Unfavorable)
OFF-STREET PARKING FUND			
Public Protection			
Police.....	\$ 13	\$ -	\$ 13
Public Works, Transportation and Commerce			
Parking Authority.....	9,454	8,835	619
Culture and Recreation			
Art Commission.....	18	17	1
Total Off-Street Parking Fund.....	9,485	8,852	633
OTHER SPECIAL REVENUE FUNDS			
Public Protection			
District Attorney.....	102	102	-
Sheriff.....	269	53	216
Superior Court.....	339	339	-
Police.....	3,359	3,057	302
Animal Care and Control.....	35	33	2
	4,104	3,584	520
Public Works, Transportation and Commerce			
Parking and Traffic.....	34	34	-
Human Welfare and Neighborhood Development			
Children, Youth and Family.....	4,133	4,133	-
Commission on The Status of Women.....	150	145	5
Rent Arbitration Board.....	1,570	1,469	101
	5,853	5,747	106
Community Health			
Public Health - Central Office.....	1,936	1,936	-
Community Mental Health.....	59	59	-
	1,995	1,995	-
Culture and Recreation			
Art Commission.....	218	217	1
Recreation and Park Commission.....	1,319	1,181	138
War Memorial.....	5,838	5,421	417
Fine Arts Museums.....	670	602	68
Asian Art Museum.....	259	259	-
	8,304	7,680	624
General Administration and Finance			
Board of Supervisors.....	116	115	1
City Attorney.....	8	8	-
Mayor's Office.....	77	77	-
City Planning.....	301	301	-
Chief Administrative Officer.....	345	345	-
Real Estate.....	1,825	1,825	-
Recorder.....	703	703	-
Purchasing.....	61	61	-
	3,436	3,435	1
Total Other Special Revenue Funds.....	23,726	22,475	1,251
Total Special Revenue Funds.....	\$ 153,184	\$ 143,826	\$ 9,358

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL REVENUE FUNDS

Schedule of Budget Appropriation Changes
Year ended June 30, 1993

(In Thousands)

	Original Budget	Supple- mental Appro- priations	Carryforward Appropriations		Revised Budget
			Beginning	Ending	
Revenues:					
Property taxes.....	\$ 19,936	\$ (258)	\$ -	\$ -	\$ 19,678
Business taxes.....	450	-	-	-	450
Other local taxes.....	63,371	48	-	-	63,419
Grants, subventions and other allocations.....	25,243	1,456	(1,645)	(985)	26,039
Licenses, fines and penalties.....	4,884	29	-	918	3,995
Interest and investment earnings.....	4,275	-	-	-	4,275
Charges for services.....	59,613	2,465	-	-	62,078
Other.....	205	58	-	-	263
Total revenues.....	<u>177,977</u>	<u>3,798</u>	<u>(1,645)</u>	<u>(67)</u>	<u>180,197</u>
Expenditures and encumbrances:					
Public protection.....	3,494	4,510	1,033	4,920	4,117
Public works, transportation and commerce.....	55,072	(1,015)	4,844	2,821	56,080
Human welfare and neighborhood development.....	19,397	187	556	2,210	17,930
Community health.....	694	1,290	1,263	1,252	1,995
Culture and recreation.....	91,496	(30,742)	34,674	37,934	57,494
General administration and finance.....	16,129	889	18,967	20,417	15,568
Total expenditures and encumbrances.....	<u>186,282</u>	<u>(24,881)</u>	<u>61,337</u>	<u>69,554</u>	<u>153,184</u>
Excess (deficiency) of revenues over (under) expenditures and encumbrances.....	<u>(8,305)</u>	<u>28,679</u>	<u>(62,982)</u>	<u>(69,621)</u>	<u>27,013</u>
Other financing sources (uses):					
Operating transfers in.....	64,007	3,084	171	-	67,262
Operating transfers out.....	<u>(61,805)</u>	<u>(32,864)</u>	<u>(2,749)</u>	<u>(2,998)</u>	<u>(94,420)</u>
	<u>2,202</u>	<u>(29,780)</u>	<u>(2,578)</u>	<u>(2,998)</u>	<u>(27,158)</u>
Excess (deficiency) of revenues other sources over (under) expenditures, encumbrances other uses.....	<u>(6,103)</u>	<u>(1,101)</u>	<u>(65,560)</u>	<u>(72,619)</u>	<u>(145)</u>
Fund balances at beginning of year.....	91,893	-	-	-	91,893
Use of contingency reserve.....	-	(39)	-	-	(39)
Fund balances at end of year.....	<u>\$ 85,790</u>	<u>\$ (1,140)</u>	<u>\$ (65,560)</u>	<u>\$ (72,619)</u>	<u>\$ 91,709</u>

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CITY AND COUNTY OF SAN FRANCISCO

DEBT SERVICE FUNDS

The Debt Service Funds account for the accumulation of property taxes and other revenue for periodic payment of interest and principal of general obligation and certain lease revenue bonds and related authorized costs. Four major funds are separately identified representing 82.9% of the combined expenditures of the Debt Service Funds. The remaining 17.1% consists of two certificates of participation funds and five minor bond funds. Operations of that fund grouping are shown in a separate schedule.

General Obligation Bond Fund--Accounts for property taxes and other revenue for periodic payment of interest and principal of general obligation bonds and related costs. Provisions are made in the general property tax levy for monies sufficient to meet these requirements in accordance with Article XIII of the State Constitution (Proposition 13).

Moscone Center Lease Revenue Bonds Fund--Accounts for transfers of hotel tax revenue from the Convention Facilities Fund which provide for periodic payments of interest and principal and bond reserve requirements.

Redevelopment Financing Authority Fund--Accounts for financing activities of a joint powers authority formed between the Redevelopment Agency and the City to facilitate the long-term financing of Redevelopment Agency activities. All bond proceeds are loaned to the Redevelopment Agency, and the Authority uses loan payments to service its debt.

Finance Corporation Lease Revenue Bonds Fund--Accounts for financing activities of a nonprofit public benefit corporation organized for the purpose of providing financial assistance to the City by acquiring, improving and installing certain real and personal property for use, benefit and enjoyment of the public.

Certificates of Participation (COP) Funds--Accounts for transfers of Base Rental payments from the various COP Special Revenue Funds which provide for periodic payments of interest and principal. The COPs are being sold to provide funds to finance the acquisition of existing office buildings and certain improvements thereto to be leased to the City for use of certain City departments as office space.

Other Bond Funds--Accounts for funds and debt service of two nonprofit corporations (Social Services Corporation and San Francisco Stadium, Inc.), the Yerba Buena Center, the Moscone Center Parking Garage, and the Redevelopment Agency. As a group they represent 15.8% of current year's combined expenditures of the Debt Service Funds. The largest fund's expenditures in this group represent 9.6% of the total.

CITY AND COUNTY OF SAN FRANCISCO

DEBT SERVICE FUNDS

Combining Balance Sheet

June 30, 1993

With comparative totals for the year ended June 30, 1992

(In Thousands)

ASSETS

	General Obligation Bonds	Moscone Center Lease Revenue Bonds	Redevel- opment Financing Authority	Finance Corporation Lease Revenue Bonds	Certificates of Participation	Other Bond Funds	Total	
	Fund	Fund	Fund	Fund	Fund	Funds	1993	1992
Deposits and investments.....	\$ 3,185	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,185	\$ 359
Investments with trustee.....	-	93,696	12,164	2,440	3,950	16,373	128,623	114,121
Receivables (net of allowance for uncollectible amounts of \$595 in 1993):								
Property taxes and penalties.....	5,204	-	-	-	-	-	5,204	5,064
Interest and other.....	-	73	-	-	-	20	93	51
Due from other funds.....	-	5	-	-	-	-	5	255
Total assets.....	<u>8,389</u>	<u>93,774</u>	<u>12,164</u>	<u>2,440</u>	<u>3,950</u>	<u>16,393</u>	<u>137,110</u>	<u>119,850</u>

LIABILITIES

Accounts payable.....	\$ 2	\$ -	\$ 787	\$ -	\$ -	\$ -	\$ 789	\$ 393
Deferred credits and other liabilities.....	5,118	2,699	113	-	-	208	8,138	5,601
Total liabilities.....	<u>5,120</u>	<u>2,699</u>	<u>900</u>	<u>-</u>	<u>-</u>	<u>208</u>	<u>8,927</u>	<u>5,994</u>

FUND EQUITY

Fund balances - reserved for debt service....	\$ 3,269	\$ 91,075	\$ 11,264	\$ 2,440	\$ 3,950	\$ 16,185	\$ 128,183	\$ 113,856
Total fund equity.....	<u>3,269</u>	<u>91,075</u>	<u>11,264</u>	<u>2,440</u>	<u>3,950</u>	<u>16,185</u>	<u>128,183</u>	<u>113,856</u>
Total liabilities and fund equity.....	<u>\$ 8,389</u>	<u>\$ 93,774</u>	<u>\$ 12,164</u>	<u>\$ 2,440</u>	<u>\$ 3,950</u>	<u>\$ 16,393</u>	<u>\$ 137,110</u>	<u>\$ 119,850</u>

CITY AND COUNTY OF SAN FRANCISCO

DEBT SERVICE FUNDS

Combining Statement of Revenues, Expenditures
and Changes in Fund BalancesYear ended June 30, 1993
With comparative totals for the year ended June 30, 1992

(In Thousands)

	General Obligation Bonds Fund	Moscone Center Lease Revenue Bonds Fund	Redevel- opment Financing Authority Fund	Finance Corporation Lease Revenue Bonds Fund	Certificates of Participation Funds	Other Bond Funds	Total	
							1993	1992
Revenues:								
Property taxes.....	\$ 64,079	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 64,079	\$ 46,146
Grants, subventions and other allocations.....	835	-	-	-	-	-	835	631
Interest and investment earnings.....	-	6,474	149	2,689	133	371	9,816	1,731
Charges for services.....	-	-	-	-	-	-	-	957
Other.....	-	-	-	1,151	-	3,709	4,860	4,370
Total revenues.....	64,914	6,474	149	3,840	133	4,080	79,590	53,835
Expenditures:								
Debt service:								
Principal retirement.....	22,570	5,390	1,660	2,190	290	10,710	42,810	21,010
Interest and fiscal charges.....	32,739	11,695	5,429	561	962	4,960	56,336	43,817
Total expenditures.....	55,309	17,085	7,089	2,751	1,252	15,660	99,146	64,827
Excess (deficiency) of revenues over (under) expenditures.....	9,605	(10,611)	(6,940)	1,089	(1,119)	(11,580)	(19,556)	(10,992)
Other financing sources (uses):								
Operating transfers in.....	-	8,876	10,183	-	-	19,379	38,438	24,272
Operating transfers out.....	(6,671)	-	(31,844)	(1)	1,253	(982)	(38,245)	(53,817)
Proceeds from issuance of bonds.....	-	-	31,775	-	1,915	-	33,690	129,973
Payment to refunded bond escrow agent.....	-	-	-	-	-	-	-	(569)
	(6,671)	8,876	10,114	(1)	3,168	18,397	33,883	99,859
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses.....	2,934	(1,735)	3,174	1,088	2,049	6,817	14,327	88,867
Fund balances at beginning of year.....	335	92,810	8,090	1,352	1,901	9,368	113,856	24,989
Fund balances at end of year.....	\$ 3,269	\$ 91,075	\$ 11,264	\$ 2,440	\$ 3,950	\$ 16,185	\$ 128,183	\$ 113,856

CITY AND COUNTY OF SAN FRANCISCO

DEBT SERVICE FUNDS

Schedule of Revenues, Expenditures and Other Financing Sources-
Individual Fund Grouping

Year ended June 30, 1993

(In Thousands)

<u>Fund</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Other Financing Sources (Uses)</u>	<u>Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses</u>
Certificates of Participation Funds				
1660 Mission Building Fund.....	\$ -	\$ 6	\$ 1,947	\$ 1,941
25 Van Ness Building Fund.....	133	1,246	1,221	108
	<u>133</u>	<u>1,252</u>	<u>3,168</u>	<u>2,049</u>
Other Bond Funds				
Moscone Parking Garage.....	1,043	982	-	61
Social Services Corporation.....	955	907	-	48
San Francisco Stadium.....	1,975	1,859	-	116
Yerba Buena Center				
Liquidity Revenue Bonds.....		9,502	17,299	7,797
San Francisco Redevelopment Agency				
General Obligation Notes.....	107	2,410	1,098	(1,205)
	<u>\$ 4,080</u>	<u>\$ 15,660</u>	<u>\$ 18,397</u>	<u>\$ 6,817</u>

CITY AND COUNTY OF SAN FRANCISCO

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for financial resources to be used for the acquisition of land or acquisition and construction of major facilities other than those financed in the proprietary fund types. Five major funds are separately identified representing 94.1% of the combined expenditures of the Capital Projects Funds. The remaining 5.9% consists of nine minor funds. Operations of those funds are shown in a separate schedule.

Redevelopment Agency Fund--Accounts for property tax allocations, investment income, land sales, rents and other revenues relating to all redevelopment projects. Expenditures are for land acquisition and improvements and for other costs inherent to redevelopment activities.

Street Improvement Fund--Accounts for gas tax subventions, bond fund proceeds and other revenues which are designated for general street improvements. Expenditures for land acquisition and construction of designated improvements are made in accordance with applicable state codes, City charter provisions and bond requirements.

City Facility Improvement Fund--Accounts for bond proceeds, capital lease financing and transfers from other funds which are designated for various buildings and general improvements. Expenditures for acquisition and construction of public buildings and improvements are made in accordance with bond requirements and appropriation ordinances.

Recreation and Park Projects Fund--Accounts for bond proceeds, Federal and state grants, gifts and transfers from other funds which are designated for various recreation and park additions and development. Expenditures for acquisition and construction of recreation and park facilities are made in accordance with bond requirements and appropriation ordinances.

Moscone Convention Center Fund--Accounts for proceeds from Moscone Convention Center Lease Revenue Bonds and transfers from the General Fund and Convention Facilities Special Revenue Fund. Expenditures are for construction of the George R. Moscone Convention Center and for related administrative costs.

Other Capital Projects Funds--Accounts for the various revenues and capital expenditures of ten capital improvement funds, which include 5.9% of current year's combined expenditures of the Capital Projects Funds. The largest fund's expenditures in this group represent 3.1% of the total.

CITY AND COUNTY OF SAN FRANCISCO

CAPITAL PROJECTS FUNDS

Combining Balance Sheet

June 30, 1993

With comparative totals for the year ended June 30, 1992

(In Thousands)

ASSETS

	Redevelop- ment Agency	Street Improvement	City Facility Improvement	Recreation and Park Projects	Moscone Convention Center	Other Capital Projects	Total	
	Fund	Fund	Fund	Fund	Fund	Funds	1993	1992
Deposits and investments.....	\$ 64,569	\$ -	\$ 383,484	\$ 26,112	\$ -	\$ 2,773	\$ 476,938	\$ 419,475
Investments with trustee.....	142	1,213	3,414	-	-	7,254	12,023	4,724
Receivables:								
Federal and state grants and subventions.....	-	10,306	89	-	-	-	10,397	6,211
Interest and other.....	284	9	670	51	-	4	1,018	1,234
Due to other funds.....	768	4,383	18,781	-	30,730	-167	54,829	43,539
Loans receivable.....	25,168	-	-	-	-	-	25,168	19,788
Property held for resale.....	80,917	-	-	-	-	-	80,917	92,042
Total assets.....	<u>\$ 171,848</u>	<u>\$ 15,913</u>	<u>\$ 406,438</u>	<u>\$ 26,163</u>	<u>\$ 30,730</u>	<u>\$ 10,198</u>	<u>\$ 661,290</u>	<u>\$ 587,013</u>

LIABILITIES

Accounts payable.....	\$ 5,329	\$ 3,037	\$ 11,840	\$ 1,126	\$ 53	\$ 364	\$ 21,749	\$ 14,722
Accrued vacation and sick leave pay.....	509	-	6	-	-	25	540	416
Due to other funds.....	-	12,508	9,923	1,262	-	61	23,754	6,130
Deferred credits and other liabilities.....	28,192	1,363	2,112	534	-	-	32,201	50,445
Total liabilities.....	<u>34,030</u>	<u>16,908</u>	<u>23,881</u>	<u>2,922</u>	<u>53</u>	<u>450</u>	<u>78,244</u>	<u>71,713</u>

FUND EQUITY

Reserved for property held for resale.....	80,917	-	-	-	-	0	80,917	92,042
Reserved for encumbrances.....	-	-	152,999	3,377	-	1,598	157,974	69,122
Reserved for appropriation carryforward.....	-	-	118,173	11,926	-	736	130,835	157,024
Unreserved-undesignated (deficit).....	56,901	(995)	111,385	7,938	30,677	7,414	213,320	197,112
Total fund equity (deficit).....	<u>137,818</u>	<u>(995)</u>	<u>382,557</u>	<u>23,241</u>	<u>30,677</u>	<u>9,748</u>	<u>583,046</u>	<u>515,300</u>
Total liabilities and fund equity.....	<u>\$ 171,848</u>	<u>\$ 15,913</u>	<u>\$ 406,438</u>	<u>\$ 26,163</u>	<u>\$ 30,730</u>	<u>\$ 10,198</u>	<u>\$ 661,290</u>	<u>\$ 587,013</u>

CITY AND COUNTY OF SAN FRANCISCO

CAPITAL PROJECTS FUNDS

Combining Statement of Revenues,
Expenditures and Changes in Balances
Year ended June 30, 1993

With comparative totals for the year ended June 30, 1992

(In Thousands)

	Redevelop- ment Agency Fund	Street Improvement Fund	City Facility Improvement Fund	Recreation and Park Projects Fund	Moscone Convention Center Fund	Other Capital Projects Funds	Total	
							1993	1992
Revenues:								
Property taxes	\$ 9,387	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,387	\$ 6,332
Grants and subventions		17,213	3,855	148	-	-	21,216	11,952
Interest and investment earnings	3,178	345	20,253	500	418	196	24,890	18,352
Land sale proceeds	1,193	-	-	-	-	-	1,193	999
Other	28,191	-	1,179	-	-	-	29,370	5,054
Total revenues	\$ 41,949	\$ 17,558	\$ 25,287	\$ 648	\$ 418	\$ 196	\$ 86,056	\$ 42,689
Expenditures:								
Capital outlay	59,250	28,227	81,266	9,751	1,488	11,280	191,262	196,624
Total expenditures	59,250	28,227	81,266	9,751	1,488	11,280	191,262	196,624
Excess (deficiency) of revenues over (under) expenditures	(17,301)	(10,669)	(55,979)	(9,103)	(1,070)	(11,084)	(105,206)	(155,935)
Other financing sources (uses):								
Operating transfers in	32,340	5,971	33,995	7,778	13,763	5,175	99,022	80,835
Operating transfers out	(29,076)	-	-	-	-	-	(29,076)	(18,984)
Proceeds from issuance of bonds	-	-	96,919	8,136	-	9,076	114,131	193,915
	3,264	5,971	130,914	15,914	13,763	14,251	184,077	257,766
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(14,037)	(4,698)	74,935	6,811	12,693	3,167	78,871	101,831
Fund balances at beginning of year	162,980	3,703	307,622	16,430	17,984	6,581	515,300	415,363
Net change in reserve for property held for resale	(11,125)	-	-	-	-	-	(11,125)	(1,894)
Fund balances (deficit) at end of year	\$ 137,818	\$ (995)	\$ 382,557	\$ 23,241	\$ 30,677	\$ 9,748	\$ 583,046	\$ 515,300

CITY AND COUNTY OF SAN FRANCISCO

CAPITAL PROJECTS FUNDS

Schedule of Revenue, Expenditures and Other Financing Sources-
Individual Fund Grouping

Year ended June 30, 1993

(In Thousands)

<u>Fund</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Other Financing Sources</u>	<u>Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses</u>
Other Capital Projects:				
1973 School Building Improvement.....	\$ 14	\$ -	\$ -	\$ 14
Parking Authority Project.....	-	476	148	(328)
Community College Project.....	-	14	-	(14)
Community Development Project (BOE).....	-	26	142	116
Ocean Beach Seawall.....	-	942	-	(942)
Environmental Development Agency Projects...	-	2,004	3,045	1,041
Open Space Development.....	-	78	123	45
San Francisco Finance Corporation.....	182	6,022	9,075	3,235
25 Van Ness Project.....	-	1,718	1,718	-
	<u>\$ 196</u>	<u>\$ 11,280</u>	<u>\$ 14,251</u>	<u>\$ 3,167</u>

CITY AND COUNTY OF SAN FRANCISCO

ENTERPRISE FUNDS

Enterprise Funds account for operations and activities which render services on a user charge basis to the general public. The various Enterprise Funds are:

San Francisco International Airport--This Enterprise Fund was authorized and established by City Charter Sections 3.690 to 3.694. An Airport Commission was created with powers and duties in the management and control of San Francisco International Airport.

Port of San Francisco--In 1968, the City voters approved a proposition to accept the transfer of the Harbor of San Francisco from the State of California under the terms and conditions set forth in California Statutes of 1968, Chapter 1333. A Port of San Francisco Enterprise Fund was established in 1969, under the direction of a Port Commission.

Water Department/Hetch Hetchy Project and Municipal Railway--City Charter Sections 3.590 to 3.599 provide that a Public Utilities Commission be created and have responsibility for the construction, operation and control of all public utilities, excepting airports. The Public Utilities Commission appoints a general manager of utilities who has full power to administer the Water Department/Hetch Hetchy Project and Municipal Railway Enterprise Funds established by the Commission. The Municipal Railway financial operations include the activities of the San Francisco Municipal Railway Improvement Corporation, a nonprofit corporation organized to acquire and finance improvements to the City's public transportation system.

Laguna Honda Hospital--This Enterprise Fund was established by the Controller at the request of hospital management. Full enterprise operations began July 1, 1983 after having been previously included in the General Fund. Accounting and reporting systems are in compliance with the Hospital Disclosure Act, Health and Safety Code Sections 440-442.10.

General Hospital Medical Center--This Enterprise Fund was established on July 1, 1980, pursuant to the Board of Supervisor's Resolution No. 865-81. The accounting and reporting system for San Francisco General Hospital Medical Center is in accordance with Government Code Section 25261 and the Hospital Disclosure Act, Health and Safety Code Sections 440-442.10.

Clean Water Program--This Enterprise Fund was created after voters approved a proposition in 1976, authorizing the City to issue \$240 million in bonds for the purpose of acquiring, constructing, improving and financing improvements to the City municipal sewage treatment and disposal system. Board of Supervisors Resolution No. 973-77 required the Controller to keep separate records and accounts of the enterprise beginning July 1, 1977.

Parking Garages/Other--Various nonprofit corporations and funds have been formed for the purpose of providing financial and other assistance to the City or Redevelopment Agency in the acquisition of land, construction of facilities, and management of various projects, as follows:

1. Downtown Parking Corporation
2. Uptown Parking Corporation
3. Western Addition Parking Corporation
4. Ellis-O'Farrell Parking Corporation
5. Portsmouth Plaza Parking Corporation
6. City of San Francisco Market Corporation
7. South Beach Harbor Enterprise Fund

CITY AND COUNTY OF SAN FRANCISCO

ENTERPRISE FUNDS

Combining Balance Sheet

June 30, 1993

With comparative totals for June 30, 1992

(In Thousands)

ASSETS

	San Francisco International Airport	Port of San Francisco	Water Dept/Hetch Hetchy Project	Municipal Railway	Laguna Honda Hospital	General Hospital Medical Center	Clean Water Program	Parking Garages/Other	Total	
									1993	1992
Deposits and investments*	\$ 237,173	\$ 19,362	\$ 85,882	\$ 380	\$ -	\$ -	\$ -	\$ 4,201	\$ 346,998	\$ 265,870
Investments with trustee	-	-	-	-	-	-	-	7,170	7,170	16,579
Receivables (net of allowance for uncollectible amounts of \$53,853 in 1993):										
Federal and state grants and subventions	1,861	1,009	461	41,212	-	207	-	-	44,750	28,266
Charges for services	10,476	2,858	15,531	2,783	10,302	68,839	21,093	216	132,098	97,954
Interest and other	4,940	6,346	1,419	816	-	24	2,367	1,033	16,945	15,142
Due from other funds	15	1,239	7,041	39,008	-	17,242	1,748	-	66,293	60,770
Inventories	382	1,245	4,412	17,299	1,212	4,176	-	-	28,726	27,790
Restricted assets:										
Deposits and investments	96,149	9,815	44,662	63,444	2,264	2,501	292,778	38	511,651	578,821
Investments with trustee	53,905	11,561	109,077	17,537	-	-	17,000	19,840	228,920	252,789
Grants and other receivables	1,051	67	1,554	10,252	214	41	1,167	-	14,346	23,358
Fixed assets (net of accumulated depreciation)	530,736	190,502	639,693	491,499	12,536	41,697	1,164,546	73,700	3,144,909	3,016,956
Deferred charges and other assets	31,884	803	23	-	263	415	4,570	591	38,549	13,216
Total assets	\$ 968,572	\$ 244,807	\$ 909,755	\$ 684,230	\$ 26,791	\$ 135,142	\$ 1,505,269	\$ 106,789	\$ 4,581,355	\$ 4,397,511

LIABILITIES

Accounts payable	\$ 4,416	\$ 1,886	\$ 14,186	\$ 8,799	\$ 1,385	\$ 7,567	\$ 11,910	\$ 2,209	\$ 52,358	\$ 74,104
Accrued payroll	3,055	467	1,703	5,811	2,656	4,939	2,152	166	20,949	15,133
Accrued vacation and sick leave pay	4,886	1,203	6,138	14,521	4,839	9,620	810	-	42,017	41,126
Accrued workers' compensation	3,807	681	3,913	25,030	3,793	7,722	-	-	44,946	37,543
Estimated claims payable	-	590	6,041	19,121	-	-	-	-	25,752	19,762
Due to other funds*	6,395	901	7,912	53,923	8,927	70,448	7,975	4,974	161,455	36,158
Deferred credits and other liabilities	28,366	7,815	5,059	2,664	273	544	3,144	2,276	50,141	48,658
Bond interest payable	4,111	135	62	214	-	-	9,990	2,572	17,084	23,125
Bonds, loans and capital leases payable	497,867	65,730	289,625	7,530	1,146	3,334	655,790	52,472	1,573,494	1,521,537
Liabilities payable from restricted assets	11,796	5,980	3,933	-	2,478	2,541	6,617	87	33,432	29,524
Total liabilities	564,699	85,388	338,572	137,613	25,497	106,715	698,388	64,756	2,021,628	1,846,670

FUND EQUITY

Contributed capital, net	117,807	77,254	45,387	409,492	8,448	58,421	659,079	-	1,375,888	1,348,215
Retained earnings:										
Unreserved (deficit)	286,066	82,165	525,796	137,125	(7,154)	(29,994)	147,802	42,033	1,183,839	1,202,626
Total fund equity	403,873	159,419	571,183	546,617	1,294	28,427	806,881	42,033	2,559,727	2,550,841
Total liabilities and fund equity	\$ 968,572	\$ 244,807	\$ 909,755	\$ 684,230	\$ 26,791	\$ 135,142	\$ 1,505,269	\$ 106,789	\$ 4,581,355	\$ 4,397,511

* At June 30, 1993, the City has classified negative cash balances in certain enterprise funds as a reduction of General Fund deposits and investments. This reclassification resulted in a corresponding increase of \$109 million in amounts due to the General Fund from the affected enterprise funds.

CITY AND COUNTY OF SAN FRANCISCO

ENTERPRISE FUNDS

Combining Statement of Revenues, Expenses
and Changes in Retained EarningsYear ended June 30, 1993
With comparative totals for June 30, 1992

(In Thousands)

	San Francisco International Airport	Port of San Francisco	Water Dept./ Hetch Hetchy Project	Municipal Railway	Laguna Honda Hospital	General Hospital Medical Center	Clean Water Program	Parking Garages/ Other	Total	
									1993	1992
Operating revenues:										
Charges for services.....	\$ 64,205	\$ 6,775	\$ 173,676	\$ 89,571	\$ 89,623	\$ 225,438	\$ 104,251	\$ 14,254	\$ 767,793	\$ 659,620
Rent and concessions.....	105,127	22,861	4,092	-	-	-	-	3,023	135,103	130,839
Other.....	-	2,450	1,523	1,966	200	827	-	36	7,002	6,875
Total operating revenues	169,332	32,086	179,291	91,537	89,823	226,265	104,251	17,313	909,898	797,334
Operating expenses:										
Personal services.....	54,776	14,376	41,519	206,828	87,048	164,829	29,392	4,566	603,334	570,357
Contractual services.....	26,425	1,981	28,492	11,318	3,020	44,441	7,153	1,799	124,629	113,483
Light, heat and power.....	8,258	1,671	21,382	3,283	-	2,011	4,954	728	42,287	44,981
Materials and supplies.....	3,735	1,420	4,926	15,210	6,783	30,027	6,684	395	69,180	70,667
Depreciation.....	30,980	4,169	24,079	24,013	1,123	4,896	23,957	664	113,881	107,604
Services provided by other departments.....	9,180	3,477	14,575	23,515	4,225	10,926	8,635	-	74,533	77,891
Other.....	6,430	4,146	8,074	22,297	-	11,536	2,057	4,523	59,063	64,871
Total operating expenses	139,784	31,240	143,047	306,464	102,199	268,666	82,832	12,675	1,086,907	1,049,854
Operating income (loss)	29,548	846	36,244	(214,927)	(12,376)	(42,401)	21,419	4,638	(177,009)	(252,520)
Nonoperating revenues (expenses):										
Operating grants:										
Federal.....	-	-	-	7,574	-	-	-	-	7,574	8,401
State / other.....	-	-	-	47,922	-	7,354	-	-	55,276	66,562
Interest income.....	22,093	1,946	14,903	648	-	-	20,774	802	61,166	55,903
Interest expense.....	(34,669)	(4,176)	(18,726)	(600)	-	-	(36,608)	(1,691)	(96,470)	(77,364)
Other, net.....	(2,501)	264	(2,791)	12,700	476	1,324	4,060	16	13,548	15,500
	(15,077)	(1,966)	(6,614)	68,244	476	8,678	(11,774)	(873)	41,094	69,002
Income (loss) before operating transfers.....	14,471	(1,120)	29,630	(146,683)	(11,900)	(33,723)	9,645	3,765	(135,915)	(183,518)
Operating transfers in.....	-	-	2,026	115,549	10,202	40,633	4,645	-	173,055	224,416
Operating transfers out.....	(14,988)	-	(29,026)	-	(120)	(120)	-	(2,793)	(47,047)	(30,231)
	(14,988)	-	(27,000)	115,549	10,082	40,513	4,645	(2,793)	126,008	194,185
Net income (loss) before extraordinary items.....	(517)	(1,120)	2,630	(31,134)	(1,818)	6,790	14,290	972	(9,907)	10,667
Extraordinary items.....	(12,139)	-	-	-	-	-	(32,732)	-	(44,871)	(14,830)
Net income (loss)	(12,656)	(1,120)	2,630	(31,134)	(1,818)	6,790	(18,442)	972	(54,778)	(3,963)
Depreciation on fixed assets purchased with externally restricted sources that reduces contributed capital	-	-	1,181	21,252	-	-	14,522	-	36,955	37,009
Retained earnings (deficit) at beginning of year.....	298,722	83,285	521,985	147,007	(5,336)	(35,820)	151,722	41,061	1,202,626	1,170,580
Residual equity transfer out.....	-	-	-	-	-	(964)	-	-	(964)	(1,000)
Retained earnings (deficit) at end of year	\$ 286,066	\$ 82,165	\$ 525,796	\$ 137,125	\$ (7,154)	\$ (29,994)	\$ 147,802	\$ 42,033	\$ 1,183,839	\$ 1,202,626

CITY AND COUNTY OF SAN FRANCISCO
ENTERPRISE FUNDS
Combining Statement of Cash Flows
Year ended June 30, 1993
With comparative totals for the year ended June 30, 1992
(In Thousands)

	San Francisco International Airport	Port of San Francisco	Water Dept./ Hetch Hetchy Project	Municipal Railway	Laguna Honda Hospital	General Hospital Medical Center	Clean Water Program	Parking Garages/ Other	Total	
									1993	1992
Cash flows from operating activities:										
Operating income (loss).....	\$ 29,548	\$ 846	\$ 36,244	\$ (214,927)	\$ (12,376)	\$ (42,401)	\$ 21,419	\$ 4,638	\$ (177,009)	\$ (252,520)
Adjustments for noncash activities:										
Depreciation.....	30,980	4,169	24,079	24,013	1,123	4,896	23,957	664	113,881	107,604
Provision for Uncollectibles.....	(227)	961	-	95	(2,194)	7,209	346	-	6,190	20,942
Other.....	162	289	-	-	-	3	-	-	454	(12)
Changes in assets/liabilities:										
Receivables, net.....	(413)	(1,022)	1,368	(2,005)	-	(35,144)	(2,990)	(569)	(40,775)	(7,637)
Due from other funds.....	(3)	-	(6,421)	(3,503)	136	9,825	(647)	83	(530)	(16,269)
Inventories.....	177	-	(173)	(1,346)	125	73	-	-	(1,144)	(33)
Deferred charges and other assets.....	(165)	323	4,495	-	15	(385)	-	(320)	3,963	(2,811)
Accounts payable.....	683	1,737	(6,062)	(6,202)	(808)	(3,838)	1,356	370	(12,764)	16,088
Accrued payroll.....	1,463	-	331	685	1,693	2,979	-	49	7,200	(17,051)
Estimated claims payable.....	-	-	-	-	-	-	-	-	-	1,418
Due to other funds.....	543	-	3,817	46,624	3,187	12,838	1,625	(353)	68,281	(42,968)
Deferred credits and other liabilities.....	578	-	4,174	10,527	(167)	17	-	464	15,593	(1,025)
Net cash provided by (used in) operating activities.....	63,326	7,303	61,852	(146,039)	(9,266)	(43,928)	45,066	5,026	(16,660)	(194,274)
Cash flows from noncapital financing activities:										
Operating grants received.....	-	-	-	53,264	-	-	-	-	53,264	63,834
Operating transfers.....	-	-	2,026	111,693	10,202	40,633	-	-	164,554	188,479
Operating transfers out.....	(15,174)	-	(29,026)	-	(120)	(120)	-	(2,793)	(47,233)	(30,643)
Residual equity transfers out.....	-	-	-	-	-	(964)	-	-	(964)	(1,000)
Other noncapital activities.....	(24,775)	1,076	(3,307)	7,921	-	8,678	-	-	(10,407)	(38,806)
Net cash provided by (used in) noncapital financing activities.....	(39,949)	1,076	(30,307)	172,878	10,082	48,227	-	(2,793)	159,214	181,864
Cash flows from capital financing activities:										
Capital grants.....	9,445	1,389	62	35,526	-	1,201	9,090	-	56,713	100,146
Bond sale proceeds.....	5,342	-	91	-	-	-	-	15,597	21,030	496,497
Payment to refunded bond escrow agent.....	-	-	-	-	-	-	(22,297)	-	(22,297)	(219,357)
Proceeds from sale of fixed assets.....	49	264	-	43	-	-	-	54	410	126
Transfers from other funds for debt service.....	-	-	-	-	-	-	4,645	-	4,645	4,632
Acquisition of fixed assets.....	(21,981)	(6,749)	(40,048)	(54,167)	-	(3,968)	(107,886)	(11,748)	(246,547)	(290,549)
Retirement of capital lease obligations.....	(270)	-	(367)	(271)	(1,215)	(1,363)	-	-	(3,486)	(2,480)
Retirement of general obligation bonds.....	(1,595)	(2,255)	(1,525)	-	(172)	-	(3,290)	-	(8,837)	(9,675)
Retirement of revenue bonds.....	(11,357)	(1,320)	(1,362)	(2,255)	-	-	(9,815)	(619)	(26,748)	(25,189)
Interest paid on long term debt.....	(35,334)	(5,642)	(20,368)	(660)	-	-	(30,137)	(1,803)	(93,944)	(92,596)
Other capital financing activities.....	13,335	680	-	-	-	-	31,890	-	45,905	78,140
Net cash provided by (used in) capital financing activities.....	(42,366)	(13,633)	(63,537)	(21,784)	(1,387)	(4,130)	(127,800)	1,481	(273,156)	39,695
Cash flows from investing activities:										
Increase (decrease) in investments with trustees - restricted and unrestricted.....	-	(364)	93	9,900	-	-	193,207	(4,360)	198,476	(103,278)
Decrease in restricted investments.....	-	-	-	-	-	(30)	(128,823)	(2)	(128,855)	(86,632)
Interest income received.....	12,935	-	15,474	733	476	-	18,994	802	49,414	60,423
Other investing activities.....	-	2,027	-	-	-	-	-	16	2,043	108
Net cash provided by (used in) investing activities.....	12,935	1,663	15,567	10,633	476	(30)	83,378	(3,544)	121,078	(129,379)
Net increase (decrease) in cash and cash equivalents.....	(6,054)	(3,591)	(16,425)	15,688	(95)	139	644	170	(9,524)	(102,094)
Cash and cash equivalents - beginning of year.....	339,376	32,768	146,969	48,136	2,359	2,362	180,009	4,031	756,010	858,104
Cash and cash equivalents - end of year.....	\$ 333,322	\$ 29,177	\$ 130,544	\$ 63,824	\$ 2,264	\$ 2,501	\$ 180,653	\$ 4,201	\$ 746,486	\$ 756,010

Noncash investing, capital and financing activities:

During FY 1992-93, the Airport and Clean Water defeased bonds with a face value of \$592 million with advance refunding issues of \$611 million (note 7).
During FY 1992-93, the Airport and General Hospital entered into capital lease agreements for equipment totaling \$1.6 million.

CITY AND COUNTY OF SAN FRANCISCO

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods and services provided by one department or agency to other departments or agencies on a cost reimbursement basis. Two funds include 78.5% of total revenues of this fund type. Three minor funds represent the remaining 21.5%, the largest being 9.8% of the total. Operations of that fund grouping are shown in a separate schedule.

Data Processing Fund--Accounts for centralized data processing activity and the related billings to various departments for services performed.

Central Shops Fund--Accounts Central Shops equipment (primarily vehicle) maintenance service charges and the related billings to various departments.

Other Internal Service Funds--Accounts for the financing of services such as reproduction, electricity, etc., provided by one department to other departments on a cost reimbursement basis.

CITY AND COUNTY OF SAN FRANCISCO
INTERNAL SERVICE FUNDS
Combining Balance Sheet

June 30, 1993
 With comparative totals for June 30, 1992

(In Thousands)

ASSETS

	Data Processing Fund	Central Shops Fund	Other Internal Service Funds	Total	
				1993	1992
Deposits and investments.....	\$ 4,421	\$ (13)	\$ 109	\$ 4,517	\$ 1,124
Charges for services receivables.....	307	—	—	307	448
Due from other funds.....	3,439	2,453	1,702	7,594	7,240
Inventories.....	99	—	119	218	118
Fixed assets (net of accumulated depreciation)	<u>1,590</u>	<u>508</u>	<u>377</u>	<u>2,475</u>	<u>2,986</u>
Total assets.....	<u>\$ 9,856</u>	<u>\$ 2,948</u>	<u>\$ 2,307</u>	<u>\$ 15,111</u>	<u>\$ 11,916</u>

LIABILITIES

Accounts payable.....	\$ 489	\$ 794	\$ 390	\$ 1,673	\$ 1,348
Accrued payroll.....	361	187	80	628	471
Due to other funds.....	63	145	—	208	456
Other liabilities.....	—	—	—	—	5
Capital leases payable.....	<u>67</u>	<u>—</u>	<u>—</u>	<u>67</u>	<u>101</u>
Total liabilities.....	<u>980</u>	<u>1,126</u>	<u>470</u>	<u>2,576</u>	<u>2,381</u>

FUND EQUITY

Contributed capital, net.....	3,604	—	—	3,604	3,747
Retained earnings:					
Reserved for contractual and other commitments..	5,198	404	609	6,211	2,908
Unreserved (deficit).....	<u>74</u>	<u>1,418</u>	<u>1,228</u>	<u>2,720</u>	<u>2,880</u>
Total fund equity.....	<u>8,876</u>	<u>1,822</u>	<u>1,837</u>	<u>12,535</u>	<u>9,535</u>
Total liabilities and fund equity.....	<u>\$ 9,856</u>	<u>\$ 2,948</u>	<u>\$ 2,307</u>	<u>\$ 15,111</u>	<u>\$ 11,916</u>

CITY AND COUNTY OF SAN FRANCISCO

INTERNAL SERVICE FUNDS

Combining Statement of Revenues, Expenses
and Changes in Fund Equity

Year ended June 30, 1993

With comparative totals for the year ended June 30, 1992

(In Thousands)

	Data Processing Fund	Central Shops Fund	Other Internal Service Funds	Total	
				1993	1992
Operating revenues:					
Charges for services.....	\$ 17,475	\$ 11,521	\$ 7,944	\$ 36,940	\$ 31,045
Total operating revenues.....	<u>17,475</u>	<u>11,521</u>	<u>7,944</u>	<u>36,940</u>	<u>31,045</u>
Operating expenses:					
Personal services.....	9,344	4,673	1,622	15,639	14,545
Contractual services.....	4,732	1,644	4,332	10,708	8,010
Materials and supplies.....	385	4,359	950	5,694	5,430
Depreciation.....	717	330	35	1,082	989
Services provided by other departments.....	180	335	77	592	502
Total operating expenses.....	<u>15,358</u>	<u>11,341</u>	<u>7,016</u>	<u>33,715</u>	<u>29,476</u>
Operating income before operating transfers.....	<u>2,117</u>	<u>180</u>	<u>928</u>	<u>3,225</u>	<u>1,569</u>
Operating transfers out.....	<u>(226)</u>	<u>-</u>	<u>-</u>	<u>(226)</u>	<u>(278)</u>
Net income.....	<u>1,891</u>	<u>180</u>	<u>928</u>	<u>2,999</u>	<u>1,291</u>
Depreciation on fixed assets purchased with externally restricted sources that reduces contributed capital....	-	144	-	144	396
Retained earnings at beginning of year.....	3,381	1,498	909	5,788	4,101
Retained earnings at end of year.....	<u>5,272</u>	<u>1,822</u>	<u>1,837</u>	<u>8,931</u>	<u>5,788</u>
Contributed Capital at beginning of year.....	3,604	144	-	3,748	4,143
Depreciation on contributed assets.....	-	(144)	-	(144)	(396)
Contributed capital at end of year.....	<u>3,604</u>	<u>-</u>	<u>-</u>	<u>3,604</u>	<u>3,747</u>
Total fund equity at end of year.....	<u>\$ 8,876</u>	<u>\$ 1,822</u>	<u>\$ 1,837</u>	<u>\$ 12,535</u>	<u>\$ 9,535</u>

CITY AND COUNTY OF SAN FRANCISCO

INTERNAL SERVICE FUNDS

Schedule of Revenues and Expenses—
Individual Fund Grouping

Year ended June 30, 1993

(In Thousands)

<u>FUND</u>	<u>Operating Revenues</u>	<u>Operating Expenses</u>	<u>Operating Transfers</u>	<u>Net Income (Loss)</u>
Other Internal Service Funds:				
Reproduction.....	\$ 3,368	\$ 2,821	\$ —	\$ 547
Real Estate.....	974	1,010	—	(36)
Electricity.....	<u>3,602</u>	<u>3,185</u>	<u>—</u>	<u>417</u>
	<u>\$ 7,944</u>	<u>\$ 7,016</u>	<u>\$ —</u>	<u>\$ 928</u>

CITY AND COUNTY OF SAN FRANCISCO

INTERNAL SERVICE FUNDS

Combining Statement of Cash Flows

Year ended June 30, 1993
 With comparative totals for the year ended June 30, 1992

(In Thousands)

	Data Processing Fund	Central Shops Fund	Other Internal Service Funds	Total	
				1993	1992
Cash flows from operating activities:					
Operating income	\$ 2,117	\$ 180	\$ 928	\$ 3,225	\$ 1,569
Adjustments for noncash activities:					
Depreciation.....	717	330	35	1,082	989
Changes in assets/liabilities:					
Receivables, net.....	141	—	—	141	193
Due from other funds.....	(216)	900	(1,038)	(354)	(65)
Deferred charges and other assets.....	—	—	(100)	(100)	144
Accounts payable.....	(178)	251	252	325	(501)
Accrued payroll.....	91	43	23	157	(606)
Due to other funds.....	(216)	67	(99)	(248)	(1,633)
Deferred credits and other liabilities.....	(34)	—	(5)	(39)	(40)
Net cash provided by (used in) operating activities.....	2,422	1,771	(4)	4,189	50
Cash flows from noncapital financing activities:					
Operating transfers out.....	(226)	—	—	(226)	(278)
Net cash used in noncapital financing activities.....	(226)	—	—	(226)	(278)
Cash flows from capital financing activities:					
Acquisition of fixed assets.....	(340)	(192)	(38)	(570)	(703)
Net cash used in capital financing activities.....	(340)	(192)	(38)	(570)	(703)
Net increase (decrease) in cash and cash equivalents	1,856	1,579	(42)	3,393	(931)
Cash and cash equivalents — beginning of year.....	2,565	(1,592)	151	1,124	2,055
Cash and cash equivalents — end of year.....	\$ 4,421	\$ (13)	\$ 109	\$ 4,517	\$ 1,124

CITY AND COUNTY OF SAN FRANCISCO

FIDUCIARY FUNDS

Fiduciary Funds include all Trust and Agency Funds which account for assets held by the City as a trustee or as an agent for individuals, other governmental units and/or other funds.

Pension Trust Fund

Employees' Retirement System--Accounts for the contributions from employees, City contributions and the earnings and profits from investments of monies. Disbursements are made for retirements, withdrawal, disability, and death benefits of the employees as well as administrative expenses.

Nonexpendable Trust Fund

Health Service System--Accounts for the contributions from active and retired employees, and surviving spouses, City contributions and the earnings and profits from investment of monies. Disbursements are made for medical expenses and to various health plans of the beneficiaries.

Expendable Trust Funds

Expendable Trust Funds are trust funds whose resources, including both principal and earnings, may be expended. Two funds include 94.7% of the expendable trust funds' assets at June 30, 1993. The remaining five funds account for 5.3% of total assets for this category, the largest individual fund being 2.7%. Operations of five active funds are summarized in a separate schedule.

Gift Fund--Accounts for certain cash gifts which have been accepted by the Board of Supervisors on behalf of the City. Disbursements are made by departments, board and commissions in accordance with the purposes, if any, specified by the donor. Activities are controlled by project accounting procedures maintained by the Controller. At June 30, 1993, over 200 projects existed.

Fuhrman Bequest Fund--Accounts for income and disbursements of a bequest accepted by the City in 1941. In accordance with terms of the bequest one-half of the funds is used for the benefit of the Public Library and one-half is used for the benefit of Golden Gate Park.

Other Expendable Trust Funds--Account for operations of four smaller funds that cannot properly be grouped into the Gift Fund because of their specific terms.

Agency Funds

Agency Funds are custodial in nature and do not involve measurement of results of operations. Such funds have no equity accounts since all assets are due to individuals or entities at some future time. Nine funds include 98.3% of total agency assets and liabilities at June 30, 1993. Twenty-two minor funds total 1.7% of total agency assets and liabilities, the largest individual fund being 1.03%. Changes in assets and liabilities for that fund grouping are shown in a separate schedule.

Payroll Deduction Fund--Accounts for payroll deductions held by the City as an agent for the federal and state governments, individuals, private organizations and other funds. Settlements of these funds are made periodically.

CITY AND COUNTY OF SAN FRANCISCO

FIDUCIARY FUNDS--(Continued)

Unapportioned Taxes and Interest Fund--Accounts for monies received for current and delinquent taxes and for pooled cash interest earnings which must be held pending authority for distribution. Included are prepaid taxes, disputed taxes, duplicate payment of taxes, etc., as well as accrued interest.

Transportation Fund--Accounts for the one quarter of one percent sales tax collected by the State Board of Equalization and deposited with the County of origin for local transportation support. The Metropolitan Transportation Commission, the regional agency responsible for administration of these monies, directs their use and distribution.

Deposits Fund--Accounts for all deposits under the control of the City departments. Dispositions of the deposits are governed by the terms of the statutes and ordinances establishing the deposit requirement.

Assistance Program Fund--Accounts for collections and advances received as an agent under various human welfare and community health programs. Monies are disbursed in accordance with legal requirements and program regulations.

Claims Settlement Fund--Accounts for monies deposited by third parties pending settlement of litigation and claims. Upon final settlement, monies and accrued interest are disbursed as directed by the courts or by parties to the dispute.

Deferred Compensation Plan Fund--Accounts for assets of the Deferred Compensation Plans for the employees of the City and Redevelopment Agency.

School and College District Fund--Accounts for receipts and disbursements of money held as an agent for the San Francisco Unified School District and the San Francisco Community College District. Pursuant to the California Education Code, all receipts for school districts and college districts must be deposited with the appropriate County.

Construction Deposits Fund--Accounts for assets of bond issues sold by the Redevelopment Agency on behalf of the City and/or other parties. Proceeds are held by bank trust departments pending authorized draw-downs.

Other Agency Funds--Accounts for monies held as agent for a variety of purposes.

CITY AND COUNTY OF SAN FRANCISCO

FIDUCIARY FUNDS

Combining Balance Sheet

June 30, 1993

With comparative totals as of June 30, 1992

(In Thousands)

ASSETS

	Pension Trust Fund Employees' Retirement System	Non- expendable Trust Fund Health Service System	Expend- able Trust Funds	Agency Funds	Total	
					1993	1992
Deposits and investments.....	\$ 7,691	\$ 31,624	\$ 1,367	\$ 206,294	\$ 246,976	\$ 240,160
Investments with trustee.....	5,318,361	—	—	260,937	5,579,298	5,052,036
Interest and other receivables.....	96,093	459	850	88,292	185,694	186,927
Due from other funds.....	670	2,314	8,393	300	11,677	1,502
Deferred charges and other assets.....	—	3,640	—	1,093	4,733	1,386
Total assets.....	\$ 5,422,815	\$ 38,037	\$ 10,610	\$ 556,916	\$ 6,028,378	\$ 5,482,011

LIABILITIES

Accounts payable.....	\$ 2,807	\$ 2,642	\$ 255	\$ 35,252	\$ 40,956	\$ 37,290
Accrued payroll.....	112	—	19	—	131	106
Accrued vacation and sick leave pay.....	428	—	—	—	428	402
Estimated claims payable.....	—	8,123	—	—	8,123	10,461
Due to other funds.....	600	22	593	36,277	37,492	25,985
Agency obligations:						
School and College Districts.....	—	—	—	140,655	140,655	120,034
Other.....	—	—	—	112,605	112,605	130,297
Deferred credits and other liabilities.....	82,219	4,833	90	232,127	319,269	236,480
Total liabilities.....	86,166	15,620	957	556,916	659,659	561,055

FUND EQUITY

Fund balances:

Reserved for employees' retirement/health benefits.....	5,336,649	22,417	—	—	5,359,066	4,910,839
Reserved for inventory type assets not available for appropriation.....	—	—	345	—	345	345
Reserved for appropriation carryforward..	—	—	4,706	—	4,706	5,183
Unreserved—undesignated.....	—	—	4,602	—	4,602	4,589
Total fund equity.....	5,336,649	22,417	9,653	—	5,368,719	4,920,956
Total liabilities and fund equity.....	\$ 5,422,815	\$ 38,037	\$ 10,610	\$ 556,916	\$ 6,028,378	\$ 5,482,011

CITY AND COUNTY OF SAN FRANCISCO
PENSION TRUST AND NONEXPENDABLE TRUST FUNDS
Comparative Statement of Revenues, Expenses and Changes in Fund Equity

Year ended June 30, 1993
With comparative totals for the year ended June 30, 1992

(In Thousands)

	Pension Trust Fund		Nonexpendable Trust Fund	
	Employees'		Health	
	Retirement System		Service System	
	1993	1992	1993	1992
Operating revenues:				
Contributions.....	\$ 225,811	\$ 269,300	\$ 156,147	\$ 135,098
Income from investments.....	482,329	471,029	1,661	2,113
Total operating revenues.....	<u>708,140</u>	<u>740,329</u>	<u>157,808</u>	<u>137,211</u>
Operating expenses:				
Contractual services.....	-	-	111,532	97,682
General and administrative.....	4,120	6,628	-	-
Benefit payments.....	262,079	231,775	39,990	43,749
Total operating expenses.....	<u>266,199</u>	<u>238,403</u>	<u>151,522</u>	<u>141,431</u>
Net income (loss).....	441,941	501,926	6,286	(4,220)
Fund equity at beginning of year.....	4,894,708	4,392,782	16,131	20,351
Fund equity at end of year.....	<u>\$ 5,336,649</u>	<u>\$ 4,894,708</u>	<u>\$ 22,417</u>	<u>\$ 16,131</u>

CITY AND COUNTY OF SAN FRANCISCO

NONEXPENDABLE TRUST FUND

Comparative Statement of Cash Flows

Year ended June 30, 1993

With comparative totals for the year ended June 30, 1992

(In Thousands)

	Nonexpendable Trust Fund	
	Health Service System	
	1993	1992
Cash flows from operating activities:		
Operating income (loss).....	\$ 4,625	\$ (6,333)
Adjustments for non-cash activities:		
Changes in assets/liabilities:		
Receivables, net.....	(11)	(342)
Due from other funds.....	(2,314)	1,564
Accounts payable.....	(659)	1,122
Estimated claims payable.....	(2,287)	1,306
Due to other funds.....	(1,596)	1,618
Deferred credits and other liabilities.....	(4,411)	4,168
Net cash provided by (used in) operating activities.....	(6,653)	3,103
Cash flows from investing activities:		
Interest income received.....	1,661	2,113
Net cash provided by investing activities.....	1,661	2,113
Net increase (decrease) in cash and cash equivalents	(4,992)	5,216
Cash and cash equivalents - beginning of year.....	36,616	31,400
Cash and cash equivalents - end of year.....	\$ 31,624	\$ 36,616

CITY AND COUNTY OF SAN FRANCISCO

EXPENDABLE TRUST FUNDS

Combining Balance Sheet

June 30, 1993

With comparative totals for June 30, 1992

(In Thousands)

A S S E T S

	Gift Fund	Fuhrman Bequest Fund	Other Expendable Trust Funds	Total	
				1993	1992
Deposits and investments.....	\$ (2,640)	\$ 3,446	\$ 561	\$ 1,367	\$ 9,320
Interest and other receivables.....	823	27	-	850	790
Due from other funds.....	8,393	-	-	8,393	77
Deferred charges and other assets.....	-	-	-	-	345
Total assets.....	\$ 6,576	\$ 3,473	\$ 561	\$ 10,610	\$ 10,532

L I A B I L I T I E S

Accounts payable.....	\$ 238	\$ 17	\$ -	\$ 255	\$ 120
Accrued payroll.....	17	2	-	19	12
Due to other funds.....	336	106	151	593	197
Deferred credits and other liabilities.....	12	-	78	90	86
Total liabilities.....	603	125	229	957	415

F U N D E Q U I T Y

Fund balances:

Reserved for inventory type assets not available for appropriation.....	281	49	15	345	345
Reserved for appropriation carryforward....	3,919	787	-	4,706	5,183
Unreserved-undesignated.....	1,773	2,512	317	4,602	4,589
Total fund equity.....	5,973	3,348	332	9,653	10,117
Total liabilities and fund equity.....	\$ 6,576	\$ 3,473	\$ 561	\$ 10,610	\$ 10,532

CITY AND COUNTY OF SAN FRANCISCO

EXPENDABLE TRUST FUNDS

Combining Statement of Revenues Expenditures and Changes in Fund Balances

Year ended June 30, 1993

With comparative totals for the year ended June 30, 1992

(In Thousands)

	Gift Fund	Fuhrman Bequest Fund	Other Expendable Trust Funds	Total	
				1993	1992
Revenues:					
Grants, subventions and other allocations.....	\$ 172	\$ -	\$ -	\$ 172	\$ 192
Interest and investment earnings.....	176	557	4	737	877
Charges for services.....	53	-	1	54	22
Contributions.....	6,292	-	-	6,292	4,502
Total revenues.....	6,693	557	5	7,255	5,593
Expenditures:					
Public protection.....	53	-	-	53	39
Public works, transportation and commerce.....	48	-	-	48	27
Human welfare and neighborhood development.....	42	-	18	60	351
Community health.....	435	-	-	435	249
Culture and recreation.....	1,333	318	1	1,652	4,591
General administration and finance.....	475	-	-	475	103
Total expenditures.....	2,386	318	19	2,723	5,360
Excess (deficiency) of revenues over expenditures.....	4,307	239	(14)	4,532	233
Other financing sources (uses):					
Operating transfers in.....	35	-	-	35	-
Operating transfers out.....	(4,779)	(101)	(151)	(5,031)	(19)
	(4,744)	(101)	(151)	(4,996)	(19)
Excess (deficiency) of revenues over (under) expenditures and other uses	(437)	138	(165)	(464)	214
Fund balances at beginning of year.....	6,410	3,210	497	10,117	9,902
Net change in reserve for assets not available for appropriation.....	-	-	-	-	1
Fund balances at end of year.....	\$ 5,973	\$ 3,348	\$ 332	\$ 9,653	\$ 10,117

CITY AND COUNTY OF SAN FRANCISCO
 OTHER EXPENDABLE TRUST FUNDS
 Schedule of Revenues and Expenditures—
 Individual Fund Grouping
 Year ended June 30, 1993
 (In Thousands)

FUND	Revenues	Expenditures	Excess (Deficiency) of Revenues Over (Under) Expenditures
Special Anecdotal—Library.....	\$ 1	\$ 1	\$ —
Robinson Bequest.....	2	16	(14)
Windell Bequest.....	2	2	—
	<u>\$ 5</u>	<u>\$ 19</u>	<u>\$ (14)</u>

CITY AND COUNTY OF SAN FRANCISCO

AGENCY FUNDS

Combining Statement of Changes in Assets and Liabilities

Year ended June 30, 1993

(In Thousands)

	Balance June 30, 1992	Additions	Deductions	Balance June 30, 1993
Payroll Deduction Fund				
ASSETS				
Deposits and investments.....	\$ 5,244	\$ 487,058	\$ 488,799	\$ 3,503
Interest and other receivables.....	1,082	36	883	235
Total assets.....	<u>\$ 6,326</u>	<u>\$ 487,094</u>	<u>\$ 489,682</u>	<u>\$ 3,738</u>
LIABILITIES				
Accounts payable.....	\$ 5,323	\$ 17,210	\$ 17,356	\$ 5,177
Due to other funds.....	1,003	3	1,003	3
Agency obligations:				
Other liabilities.....	—	510,797	512,239	(1,442)
Total liabilities.....	<u>\$ 6,326</u>	<u>\$ 528,010</u>	<u>\$ 530,598</u>	<u>\$ 3,738</u>
Unapportioned Taxes and Interest Fund				
ASSETS				
Deposits and investments.....	\$ 13,357	\$ 803,433	\$ 801,840	\$ 14,950
Interest and other receivables.....	84,523	734,694	734,590	84,627
Due from other funds.....	6	4	6	4
Total assets.....	<u>\$ 97,886</u>	<u>\$ 1,538,131</u>	<u>\$ 1,536,436</u>	<u>\$ 99,581</u>
LIABILITIES				
Accounts payable.....	\$ 9,750	\$ 17,415	\$ 16,139	\$ 11,026
Due to other funds.....	—	376	188	188
Agency obligations:				
Other liabilities.....	88,136	848,551	848,320	88,367
Total liabilities.....	<u>\$ 97,886</u>	<u>\$ 866,342</u>	<u>\$ 864,647</u>	<u>\$ 99,581</u>

(Continued)

CITY AND COUNTY OF SAN FRANCISCO

AGENCY FUNDS

Combining Statement of Changes in Assets and Liabilities--(Continued)

Year ended June 30, 1993

(In Thousands)

	Balance June 30, 1992	Additions	Deductions	Balance June 30, 1993
Transportation Fund				
ASSETS				
Deposits and investments.....	\$ 79	\$ 39,157	\$ 38,508	\$ 728
Total assets.....	<u>\$ 79</u>	<u>\$ 39,157</u>	<u>\$ 38,508</u>	<u>\$ 728</u>
LIABILITIES				
Accounts payable.....	\$ 4	\$ 6	\$ 8	\$ 2
Agency obligations:				
Other liabilities.....	75	39,157	38,506	726
Total liabilities.....	<u>\$ 79</u>	<u>\$ 39,163</u>	<u>\$ 38,514</u>	<u>\$ 728</u>
Deposits Fund				
ASSETS				
Deposits and investments.....	\$ 29,645	\$ 39,180	\$ 50,530	\$ 18,295
Interest and other receivables.....	1	—	—	1
Due to other funds.....	127	—	127	—
Deferred charges and other assets.....	276	94	42	328
Total assets.....	<u>\$ 30,049</u>	<u>\$ 39,274</u>	<u>\$ 50,699</u>	<u>\$ 18,624</u>
LIABILITIES				
Accounts payable.....	\$ 614	\$ 1,802	\$ 2,019	\$ 397
Due to other funds.....	1	1,089	12	1,078
Agency obligations:				
Other liabilities.....	29,434	37,631	49,916	17,149
Total liabilities.....	<u>\$ 30,049</u>	<u>\$ 40,522</u>	<u>\$ 51,947</u>	<u>\$ 18,624</u>

(Continued)

CITY AND COUNTY OF SAN FRANCISCO

AGENCY FUNDS

Combining Statement of Changes in Assets and Liabilities--(Continued)

Year ended June 30, 1993

(In Thousands)

	Balance June 30, 1992	Additions	Deductions	Balance June 30, 1993
Assistance Program Fund				
ASSETS				
Deposits and investments.....	\$ 5,707	\$ 33,396	\$ 33,620	\$ 5,483
Interest and other receivables.....	1	-	-	1
Due from other funds.....	1	3	1	3
Total assets.....	<u>\$ 5,709</u>	<u>\$ 33,399</u>	<u>\$ 33,621</u>	<u>\$ 5,487</u>
LIABILITIES				
Accounts payable.....	\$ 53	\$ 28	\$ 53	\$ 28
Due to other funds.....	533	1,107	533	1,107
Agency obligations:				
Other liabilities.....	5,123	33,455	34,226	4,352
Total liabilities.....	<u>\$ 5,709</u>	<u>\$ 34,590</u>	<u>\$ 34,812</u>	<u>\$ 5,487</u>
Claims Settlement Fund				
ASSETS				
Deposits and investments.....	\$ 1,451	\$ 774	\$ 826	\$ 1,399
Total assets.....	<u>\$ 1,451</u>	<u>\$ 774</u>	<u>\$ 826</u>	<u>\$ 1,399</u>
LIABILITIES				
Accounts payable.....	\$ -	\$ 105	\$ 105	\$ -
Agency obligations:				
Other liabilities.....	1,451	45	97	1,399
Total liabilities.....	<u>\$ 1,451</u>	<u>\$ 150</u>	<u>\$ 202</u>	<u>\$ 1,399</u>

(Continued)

CITY AND COUNTY OF SAN FRANCISCO

AGENCY FUNDS

Combining Statement of Changes in Assets and Liabilities—(Continued)

Year ended June 30, 1993

(In Thousands)

	Balance June 30, 1992	Additions	Deductions	Balance June 30, 1993
Deferred Compensation Plan Fund				
ASSETS				
Investments with trustee.....	\$ 193,100	\$ 48,459	\$ 11,357	\$ 230,202
Total assets.....	<u>\$ 193,100</u>	<u>\$ 48,459</u>	<u>\$ 11,357</u>	<u>\$ 230,202</u>
LIABILITIES				
Other.....	\$ 193,100	\$ 48,459	\$ 11,357	\$ 230,202
Total liabilities.....	<u>\$ 193,100</u>	<u>\$ 48,459</u>	<u>\$ 11,357</u>	<u>\$ 230,202</u>
 School and College District Fund				
ASSETS				
Deposits and investments.....	\$ 132,640	\$ 907,187	\$ 888,297	\$ 151,530
Interest and other receivables.....	2,665	7,017	7,111	2,571
Due from other funds.....	76	40,282	40,122	236
Deferred charges and other assets.....	765	—	—	765
Total assets.....	<u>\$ 136,146</u>	<u>\$ 954,486</u>	<u>\$ 935,530</u>	<u>\$ 155,102</u>
LIABILITIES				
Accounts payable.....	\$ 15,310	\$ 26,927	\$ 30,502	\$ 11,735
Due to other funds.....	802	44,981	43,071	2,712
Agency obligations:				
School and College Districts.....	<u>120,034</u>	<u>20,621</u>	<u>—</u>	<u>140,655</u>
Total liabilities.....	<u>\$ 136,146</u>	<u>\$ 92,529</u>	<u>\$ 73,573</u>	<u>\$ 155,102</u>

(Continued)

CITY AND COUNTY OF SAN FRANCISCO

AGENCY FUNDS

Combining Statement of Changes in Assets and Liabilities--(Continued)

Year ended June 30, 1993

(In Thousands)

	Balance June 30, 1992	Additions	Deductions	Balance June 30, 1993
Construction Deposits Fund				
ASSETS				
Deposits and investments.....	\$ 116	\$ 1,994	\$ 531	\$ 1,579
Investments with trustee.....	22,700	10,314	2,279	30,735
Total assets.....	<u>\$ 22,816</u>	<u>\$ 12,308</u>	<u>\$ 2,810</u>	<u>\$ 32,314</u>
LIABILITIES				
Accounts payable.....	\$ 4	\$ 1	\$ -	\$ 5
Due to other funds.....	20,706	10,314	285	30,735
Other.....	2,106	-	532	1,574
Total liabilities.....	<u>\$ 22,816</u>	<u>\$ 10,315</u>	<u>\$ 817</u>	<u>\$ 32,314</u>
Other Agency Funds				
ASSETS				
Deposits and investments.....	\$ 5,985	\$ 32,210	\$ 29,368	\$ 8,827
Interest and other receivables.....	695	162	-	857
Due from other funds.....	949	65	957	57
Total assets.....	<u>\$ 7,629</u>	<u>\$ 32,437</u>	<u>\$ 30,325</u>	<u>\$ 9,741</u>
LIABILITIES				
Accounts payable.....	\$ 149	\$ 15,789	\$ 9,056	\$ 6,882
Due to other funds.....	1,051	16	613	454
Agency obligations:				
Other liabilities.....	6,078	25,156	29,180	2,054
Other.....	351	-	-	351
Total liabilities.....	<u>\$ 7,629</u>	<u>\$ 40,961</u>	<u>\$ 38,849</u>	<u>\$ 9,741</u>

(Continued)

CITY AND COUNTY OF SAN FRANCISCO

AGENCY FUNDS

Combining Statement of Changes in Assets and Liabilities—(Continued)

Year ended June 30, 1993

(In Thousands)

	Balance June 30, 1992	Additions	Deductions	Balance June 30, 1993
Total Agency Funds				
ASSETS				
Deposits and investments.....	\$ 194,224	\$ 2,344,389	\$ 2,332,319	\$ 206,294
Investments with trustee.....	215,800	58,773	13,636	260,937
Interest and other receivables.....	88,967	741,909	742,584	88,292
Due from other funds.....	1,159	40,354	41,213	300
Deferred charges and other assets.....	1,041	94	42	1,093
Total assets.....	<u>\$ 501,191</u>	<u>\$ 3,185,519</u>	<u>\$ 3,129,794</u>	<u>\$ 556,916</u>
LIABILITIES				
Accounts payable.....	\$ 31,207	\$ 79,283	\$ 75,238	\$ 35,252
Due to other funds.....	24,096	57,886	45,705	36,277
Agency obligations:				
School and College Districts.....	120,034	20,621	—	140,655
Other liabilities.....	130,297	1,494,792	1,512,484	112,605
Other.....	195,557	48,459	11,889	232,127
Total liabilities.....	<u>\$ 501,191</u>	<u>\$ 1,701,041</u>	<u>\$ 1,645,316</u>	<u>\$ 556,916</u>

CITY AND COUNTY OF SAN FRANCISCO

AGENCY FUNDS

Schedule of Changes in Assets and Liabilities—
Individual Fund Grouping

Year ended June 30, 1993

(In Thousands)

	Assets				Liabilities			
	Balance	Additions	Deductions	Balance	Balance	Additions	Deductions	Balance
	June 30, 1992			June 30, 1993	June 30, 1992			June 30, 1993
Other Agency Funds:								
Secondhand Dealer License Fees.....	\$ —	\$ 3	\$ —	\$ 3	\$ —	\$ 3	\$ —	\$ 3
Recreation and Park — Open Space....	4,444	8,187	6,906	5,725	4,444	6,983	5,702	5,725
Victims — Crimes of Violence.....	6	49	50	5	6	105	106	5
Street Improvement — 1934								
Ordinance.....	—	4	4	—	—	4	4	—
Redevelopment Agency.....	366	10,913	11,271	8	366	11,296	11,654	8
State Sales Tax.....	7	101	102	6	7	183	184	6
State Penalties — — Vehicle Code 42050	16	49	65	—	16	99	115	—
State Consumers' Use Tax.....	109	450	414	145	109	497	461	145
Tuolumne Occupancy Tax.....	7	37	44	—	7	34	41	—
Recreation/Park State Sales Tax.....	5	—	—	5	5	—	—	5
State — — County Clerk.....	69	25	39	55	69	78	92	55
Bay Area Air Quality District.....	2	1,180	1,161	21	2	1,180	1,161	21
Trial Court Funding.....	23	10,045	8,866	1,202	23	19,588	18,409	1,202
State Marriage License Fees.....	1	37	33	5	1	74	70	5
State Marriage License Copy Fees.....	5	49	50	4	5	98	99	4
State Hazardous Materials Fees.....	8	1	1	8	8	1	1	8
Death / Birth Certificates.....	98	248	273	73	98	266	291	73
Business Tax Suspense.....	239	—	110	129	239	349	459	129
Abandoned Properties.....	13	—	—	13	13	—	—	13
Developers' Performance Bonds.....	1,388	900	899	1,389	1,388	1	—	1,389
Red Cross Earthquake Relief.....	377	162	37	502	377	125	—	502
San Francisco Loan Funds.....	446	—	—	446	446	—	—	446
Total.....	\$ 7,629	\$ 32,437	\$ 30,325	\$ 9,741	\$ 7,629	\$ 40,961	\$ 38,849	\$ 9,741

CITY AND COUNTY OF SAN FRANCISCO
GENERAL FIXED ASSETS ACCOUNT GROUP

Accounts for recorded fixed assets other than those accounted for in the proprietary type funds.

The City does not include infrastructure in its General Fixed Assets Account Group. Examples of infrastructure are roads, curbs and gutters, streets and sidewalks and similar assets that are immovable and of value only to the City.

General Fixed Assets are not depreciated.

CITY AND COUNTY OF SAN FRANCISCO

SCHEDULE OF GENERAL FIXED ASSETS BY FUNCTION AND TYPE

June 30, 1993

(In Thousands)

Function	Land	Facilities and Improvements	Machinery and Equipment	Construction in Progress	Property Held for Lease	Total
Public protection.....	\$5,933	\$126,820	\$ 60,154	\$74,665	\$ -	\$ 267,572
Public works, transportation and commerce.....	10,185	41,223	24,489	7,774	-	83,671
Human welfare and neighborhood development.....	190	29,555	7,462	3,157	30,401	70,765
Community health.....	413	11,049	14,784	10,750	-	36,996
Culture and recreation...	47,233	648,817	45,619	144,618	-	886,287
General administration and finance.....	<u>17,301</u>	<u>55,264</u>	<u>57,434</u>	<u>15,271</u>	<u>-</u>	<u>145,270</u>
Total general fixed assets.....	<u>\$81,255</u>	<u>\$912,728</u>	<u>\$209,942</u>	<u>\$256,235</u>	<u>\$30,401</u>	<u>\$1,490,561</u>

CITY AND COUNTY OF SAN FRANCISCO

SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS BY FUNCTION

Year ended June 30, 1993

(In Thousands)

	Balance At June 30, 1992	Additions	Balance At June 30, 1993
Public protection.....	\$ 225,331	\$ 42,241	\$ 267,572
Public works, transportation and commerce.....	74,381	9,290	83,671
Human welfare and neighborhood development...	64,427	6,338	70,765
Community health.....	26,282	10,714	36,996
Culture and recreation.....	811,949	74,338	886,287
General administration and finance.....	<u>125,127</u>	<u>20,143</u>	<u>145,270</u>
Total general fixed assets.....	<u>\$1,327,497</u>	<u>\$163,064</u>	<u>\$1,490,561</u>

CITY AND COUNTY OF SAN FRANCISCO

SCHEDULE OF FUNDING SOURCES FOR GENERAL FIXED ASSETS

June 30, 1993

(In Thousands)

General investments in fixed assets acquired prior to July 1, 1987.....	\$ 742,421
Source of funding for general fixed assets acquired from July 1, 1987 through June 30, 1993	
General Fund revenues.....	132,720
Special Revenue Funds revenues.....	136,149
General obligation bond proceeds.....	140,165
Certificate of participation proceeds.....	23,576
Lease revenue bond proceeds.....	197,839
Federal and state grants.....	16,700
Redevelopment agency funds.....	59,294
Other.....	41,697
Total general fixed assets.....	<u>\$1,490,561</u>

STATISTICAL SECTION

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CITY AND COUNTY OF SAN FRANCISCO

GENERAL REVENUES BY SOURCE(1)

Last Ten Fiscal Years

(In Thousands)

Fiscal Year	Property Taxes	Business Taxes	Other Local Taxes	Grants and Subventions	Licenses, Fines and Penalties	Interest and Investment Earnings	Charges for Services	Other	Total
1984.....	\$ 245,140	\$ 98,844	\$ 149,984	\$ 268,717	\$ 307,83	\$ 44,322	\$ 66,451	(2) \$ 84,53	\$ 912,694
% of Total.....	26.9	10.8	16.4	29.4	3.4	4.9	7.3	0.9	100.0
% Change.....	-	-	-	-	-	-	-	-	-
1985.....	285,460	94,986	168,830	291,753	29,372	37,006	71,714	6,027	985,148
% of Total.....	29.0	9.6	17.1	29.6	3.0	3.8	7.3	0.6	100.0
% Change.....	16.4	(3.9)	12.6	8.6	(4.6)	(16.5)	7.9	(28.7)	7.9
1986.....	328,475	111,631	185,308	311,173	36,879	37,083	79,218	6,869	1,096,636
% of Total.....	30.0	10.2	16.9	28.4	3.4	3.4	7.2	0.5	100.0
% Change.....	15.1	17.5	9.8	6.7	25.6	0.2	10.5	14.0	11.3
1987.....	352,562	113,082	200,773	301,114	39,414	28,966	94,719	9,371	1,140,001
% of Total.....	30.9	9.9	17.6	26.4	3.5	2.5	8.3	0.9	100.0
% Change.....	7.3	1.3	8.3	(3.2)	6.9	(21.9)	19.6	36.4	4.0
1988.....	382,194	120,055	218,697	347,989	45,267	25,748	78,606	11,402	1,229,958
% of Total.....	31.1	9.7	17.8	28.3	3.7	2.1	8.4	0.9	100.0
% Change.....	8.4	6.2	8.9	15.6	14.9	(11.1)	(17.0)	21.7	7.9
1989.....	410,125	142,713	229,846	362,908	50,527	30,410	81,518	13,886	1,321,933
% of Total.....	31.0	10.8	17.4	27.4	3.8	2.3	6.2	1.1	100.0
% Change.....	7.3	18.9	5.1	4.3	11.6	18.1	3.7	21.8	7.5
1990.....	457,867	152,265	228,964	443,821	50,296	31,714	90,956	12,795	1,468,678
% of Total.....	31.1	10.4	15.6	30.2	3.4	2.2	6.2	0.9	100.0
% Change.....	11.6	6.7	(0.4)	22.3	(0.5)	4.3	11.6	(7.9)	11.1
1991.....	483,887	156,771	272,577	450,405	50,222	31,534	92,904	17,245	1,555,545
% of Total.....	31.1	10.1	17.5	29.0	3.2	2.0	6.0	1.1	100.0
% Change.....	5.7	3.0	19.0	1.5	(0.1)	(0.6)	2.1	34.8	5.9
1992.....	517,312	142,458	272,548	540,639	56,377	30,177	96,551	14,375	1,670,437
% of Total.....	31.0	8.5	16.3	32.3	3.4	1.8	5.8	0.9	100.0
% Change.....	6.9	(9.1)	0.0	20.0	12.3	(4.3)	3.9	(16.6)	7.4
1993.....	509,348	154,026	292,427	561,219	53,165	33,283	117,550	15,324	1,737,342
% of Total.....	29.3	8.9	16.8	32.3	3.1	1.9	6.8	0.9	100.0
% Change.....	(1.5)	8.1	7.3	3.8	(5.7)	10.3	21.7	13.6	4.0

(Notes on following page)

CITY AND COUNTY OF SAN FRANCISCO

GENERAL REVENUES BY SOURCE--CONSTANT DOLLAR VALUE (1) (3)

Last Ten Fiscal Years

(In Thousands)

<u>Fiscal Year</u>	<u>Property Taxes</u>	<u>Business Taxes</u>	<u>Other Local Taxes</u>	<u>Grants and Subventions</u>	<u>Licenses, Fines and Penalties</u>	<u>Interest and Investment Earnings</u>	<u>Charges for Services</u>	<u>Other</u>	<u>Total</u>
1984.....	\$245,140	\$98,844	\$149,984	\$268,717	\$30,783	\$44,322	\$66,451	\$8,453	\$912,694
% of Total.....	26.9	10.8	16.4	29.4	3.4	4.9	7.3	0.9	100.0
% Change.....	-	-	-	-	-	-	-	-	-
1985.....	270,492	90,005	159,977	276,455	27,832	35,066	67,954	5,711	933,492
% of Total.....	29.0	9.6	17.1	29.6	3.0	3.8	7.3	0.6	100.0
% Change.....	10.3	(8.9)	6.7	2.9	(9.6)	(20.9)	2.3	(32.4)	2.3
1986.....	301,649	102,514	170,174	285,780	33,857	34,054	72,748	6,308	1,007,074
% of Total.....	29.9	10.2	16.9	28.4	3.4	3.4	7.2	0.6	100.0
% Change.....	11.5	13.9	6.4	3.4	21.7	(2.9)	7.1	10.5	7.9
1987.....	314,910	101,005	179,331	268,956	35,205	25,873	84,603	8,370	1,018,253
% of Total.....	31.0	9.9	17.6	26.4	3.5	2.5	8.3	0.8	100.0
% Change.....	4.4	(1.5)	5.4	(5.9)	4.0	(24.0)	16.3	32.7	1.1
1988.....	328,615	103,225	188,039	299,205	38,921	22,138	67,586	9,804	1,057,533
% of Total.....	31.0	9.8	17.8	28.3	3.7	2.1	6.4	0.9	100.0
% Change.....	4.4	2.2	4.9	11.2	10.6	(14.4)	(20.1)	17.1	3.9
1989.....	335,527	116,755	188,039	295,898	41,337	24,879	66,691	11,360	1,081,486
% of Total.....	30.9	10.8	17.4	27.5	3.8	2.3	6.2	1.1	100.0
% Change.....	2.1	13.1	0.0	(0.8)	6.2	12.4	(1.3)	15.9	2.3
1990.....	359,753	119,637	179,900	348,717	39,518	24,918	71,465	10,053	1,153,961
% of Total.....	31.1	10.4	15.6	30.2	3.4	2.2	6.2	0.9	100.0
% Change.....	7.2	2.5	(4.3)	17.5	(4.4)	0.2	7.2	(11.5)	6.7
1991.....	362,199	117,346	204,030	337,137	37,592	23,604	69,541	12,908	1,164,357
% of Total.....	31.1	10.1	17.5	29.0	3.2	2.0	6.0	1.1	100.0
% Change.....	0.7	(1.9)	13.4	(3.3)	(4.9)	(5.3)	(2.7)	28.4	0.9
1992.....	372,877	102,683	196,452	389,691	40,636	21,752	69,594	10,351	1,204,046
% of Total.....	30.9	8.5	16.3	32.4	3.4	1.8	5.8	0.9	100.0
% Change.....	2.9	(12.5)	(3.7)	15.6	8.1	(7.8)	0.1	(19.7)	3.4
1993.....	355,981	107,648	204,376	392,233	37,157	23,261	82,155	11,409	1,214,220
% of Total.....	29.3	8.9	16.8	32.3	3.1	1.9	6.8	0.9	100.0
% Change.....	(4.5)	4.8	4.0	0.7	(8.6)	6.9	18.0	10.1	0.8

Notes:

- (1) Includes General, Special Revenue and Debt Service Funds.
- (2) Reflects separation of Laguna Honda as an enterprise starting FY 1983-84.
- (3) The information for the years 1985 through 1993 has been adjusted to the 1984 value of the dollar, using the average Consumer Price Index-Urban for each year. This information has been provided for informational purposes as an indication of the true changes in the City's revenues since 1984.

CITY AND COUNTY OF SAN FRANCISCO

GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (1)

Last Ten Fiscal Years

(In Thousands)

<u>Fiscal Year</u>	<u>Public Protection</u>	<u>Public Works, Transportation and Commerce</u>	<u>Human Welfare and Neighborhood Development</u>	<u>Community Health</u>	<u>Culture and Recreation</u>	<u>General Administration and Finance</u>	<u>Debt Service</u>	<u>Total</u>
1984.....	\$335,207	\$51,828	\$193,345	\$82,426 (2)	\$72,906	\$71,581	\$26,619	\$833,912
% of Total.....	40.2	6.2	23.2	9.9	8.7	8.6	3.2	100.0
% Change.....	-	-	-	-	-	-	-	-
1985.....	367,456	56,391	205,811	99,690	80,529	104,600	25,905	940,382
% of Total.....	39.1	6.0	21.9	10.6	8.6	11.1	2.7	100.0
% Change.....	9.6	8.8	6.4	20.9	10.5	46.1	(2.7)	12.8
1986.....	383,514	57,442	211,912	112,660	86,467	83,245	26,208	961,448
% of Total.....	39.9	6.0	22.0	11.7	9.0	8.7	2.7	100.0
% Change.....	4.4	1.9	3.0	13.0	7.4	(20.4)	1.2	2.2
1987.....	408,352	65,308	228,635	122,200	95,933	114,781	25,106	1,060,315
% of Total.....	38.5	6.2	21.6	11.5	9.0	10.8	2.4	100.0
% Change.....	6.5	13.7	7.9	8.5	10.9	37.9	(4.2)	10.3
1988.....	419,009	66,424	235,127	132,505	100,510	125,115	31,301	1,109,991
% of Total.....	37.7	6.0	21.2	11.9	9.1	11.3	2.8	100.0
% Change.....	2.6	1.7	2.8	8.4	4.8	9.0	24.7	4.7
1989.....	422,096	62,832	245,917	136,800	101,416	134,375	32,441	1,135,877
% of Total.....	37.3	5.5	21.6	12.0	8.9	11.8	2.9	100.0
% Change.....	0.7	(5.4)	4.6	3.2	0.9	7.4	3.6	2.3
1990.....	451,575	75,645	275,066	163,771	116,972	128,562	51,405	1,262,966
% of Total.....	35.7	6.0	21.7	13.0	9.3	10.2	4.1	100.0
% Change.....	7.0	20.4	11.9	19.7	15.3	(4.3)	58.5	11.2
1991.....	472,915	82,905	304,817	194,786	120,339	147,460	68,983	1,392,205
% of Total.....	34.0	6.0	21.9	14.0	8.6	10.6	4.9	100.0
% Change.....	4.7	9.6	10.8	18.9	2.9	14.7	34.2	10.2
1992.....	455,007	96,931	316,645	232,352	115,369	154,389	64,827	1,435,520
% of Total.....	31.6	6.8	22.1	16.2	8.0	10.8	4.5	100.0
% Change.....	(3.8)	16.9	3.9	19.3	(4.1)	4.7	(6.0)	3.1
1993.....	448,308	87,616	335,406	307,698	116,907	142,997	99,146	1,538,078
% of Total.....	29.2	5.7	21.8	20.0	7.6	9.3	6.4	100.0
% Change.....	(1.5)	(9.6)	5.9	32.4	1.3	(7.4)	52.9	7.1

(Notes on following page)

CITY AND COUNTY OF SAN FRANCISCO

GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION--
CONSTANT DOLLAR VALUE (1) (3)

Last Ten Fiscal Years

(In Thousands)

Fiscal Year	Public Protection	Public Works, Transportation and Commerce	Human Welfare and Neighborhood Development	Community Health	Culture and Recreation	General Administration and Finance	Debt Service	Total
1984.....	\$335,207	\$51,828	\$193,345	\$82,426 (2)	\$72,906	\$71,581	\$26,619	\$833,912
% of Total.....	40.2	6.2	23.2	9.9	8.7	8.6	3.2	100.0
% Change.....	-	-	-	-	-	-	-	-
1985.....	348,189	53,434	195,019	94,463	76,307	99,115	24,547	891,074
% of Total.....	39.0	6.0	21.9	10.6	8.6	11.1	2.8	100.0
% Change.....	3.9	3.1	0.9	14.6	4.7	38.5	(7.8)	6.9
1986.....	352,193	52,751	194,605	103,459	79,405	76,446	24,068	882,927
% of Total.....	39.9	6.0	22.0	11.7	9.0	8.7	2.7	100.0
% Change.....	1.1	(1.3)	(0.2)	9.5	4.1	(22.9)	(2.0)	(0.9)
1987.....	364,742	58,333	204,218	109,150	85,888	102,523	22,425	947,079
% of Total.....	38.5	6.2	21.6	11.5	9.0	10.8	2.4	100.0
% Change.....	3.6	10.6	4.9	5.5	7.9	34.1	(6.8)	7.3
1988.....	360,269	57,112	202,165	113,930	86,420	107,576	26,913	954,385
% of Total.....	37.7	6.0	21.2	11.9	9.1	11.3	2.8	100.0
% Change.....	(1.2)	(2.1)	(1.0)	4.4	0.9	4.9	20.0	0.8
1989.....	345,320	51,403	201,187	111,917	82,969	109,933	26,540	929,269
% of Total.....	37.2	5.5	21.7	12.0	8.9	11.8	2.9	100.0
% Change.....	(4.1)	(10.0)	(0.5)	(1.8)	(4.0)	2.2	(1.4)	(2.6)
1990.....	354,809	59,435	216,123	128,677	91,907	101,013	40,390	992,354
% of Total.....	35.7	6.0	21.7	13.0	9.3	10.2	4.1	100.0
% Change.....	2.7	15.6	7.4	15.0	10.8	(8.1)	52.2	6.8
1991.....	353,987	62,056	228,182	145,801	90,076	110,377	51,635	1,042,094
% of Total.....	33.9	6.0	21.9	14.0	8.6	10.6	5.0	100.0
% Change.....	(0.2)	4.4	5.6	13.3	(2.0)	9.3	27.8	5.0
1992.....	327,968	69,868	228,237	167,479	83,158	111,283	46,727	1,034,720
% of Total.....	31.6	6.8	22.1	16.2	8.0	10.8	4.5	100.0
% Change.....	(7.4)	12.6	-	14.9	(7.7)	0.8	(9.5)	(0.7)
1993.....	313,320	61,234	234,414	215,049	81,706	99,940	69,293	1,074,956
% of Total.....	29.2	5.7	21.8	20.0	7.6	9.3	6.4	100.0
% Change.....	(4.5)	(12.4)	2.7	28.4	(1.7)	(10.2)	48.3	3.9

NOTES:

(1) Includes General, Special Revenue and Debt Service Funds.

(2) Reflects separation of Laguna Honda Hospital as an enterprise starting FY 1983-84.

(3) The information for the years 1985 through 1993 has been adjusted to the 1984 value of the dollar, using the average Consumer Price Index-Urban for each year. This information has been provided for informational purposes as an indication of the true changes in the expenditure level of the City since 1984.

CITY AND COUNTY OF SAN FRANCISCO
PROPERTY TAX LEVIES AND COLLECTIONS (1) (2)

Last Ten Fiscal Years

(In Thousands)

<u>Fiscal Year</u>	<u>Total Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percent of Levy Collections</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>	<u>Percent of Total Tax Collections of Tax Levy</u>	<u>Outstanding Delinquent Taxes</u>	<u>Percent of Delinquent Taxes to Tax Levy</u>
1984.....	\$296,305	\$285,051	96.2 %	\$8,085	\$293,136	98.9 %	\$33,670	11.4 %
1985.....	329,422	318,195	96.6	6,895	325,090	98.7	34,190	10.4
1986.....	367,832	354,105	96.3	9,865	363,970	99.0	34,767	9.4
1987.....	395,861	383,661	96.9	9,051	392,712	99.2	32,019	8.1
1988.....	427,227	414,407	97.0	10,084	424,491	99.4	34,755	8.1
1989.....	460,380	445,445	96.8	10,015	455,460	98.9	35,291	7.7
1990.....	504,770	485,106	96.1	12,233	497,339	98.5	40,573	8.0
1991.....	545,807	525,131	96.2	13,419	538,550	98.7	47,070	8.6
1992.....	595,403	565,295	94.9	18,011	583,306	98.0	57,543	9.7
1993.....	634,983	613,646	96.6	19,381	633,027	99.7	55,525	8.7

Notes:

- (1) Includes San Francisco Unified School District, San Francisco Community College District, Bay Area Rapid Transit District, Bay Area Air Quality Management District and San Francisco Redevelopment Agency.
- (2) Does not include SB-813 supplemental property taxes which started in FY 1983-84.

CITY AND COUNTY OF SAN FRANCISCO

ASSESSED VALUE OF TAXABLE PROPERTY (1)

Last Ten Fiscal Years

(In Thousands)

Fiscal Year	Assessed Value			Exclusions (2)			Assessed Value Less	Net Increase	
	Real Property	Personal Property	Total	Non-Reim- bursable	Reim- bursable	Redevelopment Tax Increments	Exclusions	Amount	Percentage
1984	\$25,860,965	\$1,465,453	\$27,326,418	\$1,033,477	\$673,139	\$162,031	\$25,457,771	\$2,708,775	11.9
1985	29,016,181	1,565,417	30,581,598	1,099,514	672,723	225,065	28,584,296	3,126,525	12.3
1986	31,970,466	1,660,966	33,631,432	1,076,052	675,954	364,195	31,515,231	2,930,936	10.3
1987	35,494,479	2,073,048	37,567,527	1,128,424	678,295	545,121	35,215,687	3,700,456	11.7
1988	38,223,024	2,706,877	40,929,901	1,278,326	679,707	1,086,489	37,885,379	2,669,692	7.6
1989	41,471,587	2,974,647	44,446,234	1,284,280	678,845	1,196,806	41,286,303	3,400,924	9.0
1990	45,535,945	2,577,612	48,113,557	1,312,989	673,206	1,212,645	44,914,717	3,628,414	8.8
1991	49,494,829	2,960,356	52,455,185	1,407,351	688,768	1,273,448	49,085,618	4,170,901	9.3
1992	52,325,521	2,909,502	55,235,023	1,481,317	693,936	1,339,520	51,720,250	2,634,632	5.4
1993	54,164,413	2,343,303	56,507,716	1,614,320	684,660	1,650,061	52,558,675	838,425	1.6

Notes:

- (1) Assessed value (full cash value) of taxable property represents all property within the City. The maximum tax rate is 1% of the full cash value or \$1/\$100 of the assessed value, excluding the tax rate for debt service.
- (2) Exclusions are summarized as follows:
- (a) Non-reimbursable exemptions are revenues lost to City because of provisions of California Constitution, Article XIII(3).
 - (b) Reimbursable exemptions arise from Article XII(25) which reimburses local governments for revenues lost through the homeowners' exemption in Article XIII(3) (k).
 - (c) Tax increments are allocations made to the San Francisco Redevelopment Agency under authority of California Constitution, Article XVI. Actual allocations are limited under an indebtedness agreement between the City and the Redevelopment Agency.

CITY AND COUNTY OF SAN FRANCISCO

PROPERTY TAX RATES

DIRECT AND OVERLAPPING GOVERNMENTS

Last Ten Fiscal Years

Fiscal Year	City and County of San Francisco				San Francisco Unified School District	San Francisco Community College District	Bay Area Air Quality Management District	Bay Area Rapid Transit District	Total
	General Fund	Special Revenue Fund	Debt Service Funds	Total					
1984.....	0.87515654	0.025000	0.08041369	0.98057023	0.08487488	0.01444422	0.00208539	0.06902528	1.1500
1985.....	0.87515654	0.025000	0.07550000	0.97565654	0.08428859	0.01444422	0.00208539	0.06352528	1.1400
1986.....	0.87515654	0.025000	0.08260370	0.98276024	0.08358487	0.01444422	0.00208539	0.05712528	1.1400
1987.....	0.87515654	0.025000	0.06199807	0.96215461	0.08289050	0.01444422	0.00208539	0.04842528	1.1100
1988.....	0.87515654	0.025000	0.05541626	0.95557280	0.08257231	0.01444422	0.00208539	0.04532528	1.1000
1989.....	0.87515654	0.025000	0.04763229	0.94778883	0.08215628	0.01444422	0.00208539	0.04352528	1.0900
1990.....	0.87515654	0.025000	0.05343897	0.95359551	0.08164960	0.01444422	0.00208539	0.03822528	1.0900
1991.....	0.87515654	0.025000	0.06063587	0.96079241	0.08135270	0.01444422	0.00208539	0.03132528	1.0900
1992.....	0.87515654	0.025000	0.09174070	0.99189724	0.08114787	0.01444422	0.00208539	0.03142528	1.1210
1993 (1) (2).....	0.86265654	0.037500	0.12002249	1.02017903	0.08116608	0.01444422	0.00208539	0.03212528	1.1500

Notes:

- (1) The General Fund includes \$0.10310710 property tax shift to the schools under State law.
- (2) The Special Revenue Fund includes a \$0.0125 allocation to the Children's Fund as required under Section 6.415 of the San Francisco Charter.

CITY AND COUNTY OF SAN FRANCISCO

RATIO OF NET GENERAL BONDED DEBT TO
FULL CASH VALUE AND NET BONDED DEBT PER CAPITA

Last Ten Fiscal Years

Fiscal Year	Population (1)	Full Cash Value (2) (3)	Gross Bonded Debt (2) (4)	Debt Service Monies Available (2)	Debt Payable from Enterprise Revenue (2)	Net General Bonded Debt (2)	Ratio of Net General Bonded Debt to Full Cash Value	Net General Bonded Debt Per Capita
1984	706,924	\$26,130,910	\$796,330	\$75,129	\$618,511	\$102,690	0.39%	\$145.26
1985	719,154	29,482,064	885,356	92,089	707,662	85,605	0.29	119.04
1986	741,568	32,191,185	1,000,545	103,689	826,961	69,875	0.22	94.23
1987	742,681	35,893,982	962,550	101,092	761,468	99,990	0.28	134.63
1988	741,250	38,565,086	959,702	93,479	751,543	114,680	0.3	154.71
1989	731,693	41,965,148	1,170,817	90,668	877,537	202,612	0.48	276.91
1990	726,962	45,567,923	1,241,588	99,176	924,648	217,764	0.48	296.55
1991	726,710	49,774,386	1,462,569	226,679	845,598	390,292	0.78	537.07
1992	728,730	52,414,185	1,860,214	296,214	1,035,811	528,140	1.01	724.74
1993	743,606	53,243,334	1,952,035	201,336	1,147,833	602,866	1.13	810.73

Notes:

- (1) Source - State of California, Department of Finance.
- (2) In thousands.
- (3) Includes all taxable property within the City and County of San Francisco, less properties subject to non-reimbursable exemptions and Redevelopment tax increments.
- (4) Excludes San Francisco Redevelopment Agency revenue bonds and nonprofit corporation obligations. Amounts are net of bond discount or premium.

CITY AND COUNTY OF SAN FRANCISCO

COMPUTATION OF LEGAL DEBT MARGIN

June 30, 1993

(In Thousands)

Total full cash value		\$ 56,507,716
Less: Non-reimbursable exemptions and Redevelopment tax increments		<u>3,264,382</u>
Basis of levy		<u>\$ 53,243,334</u>
Debt limit -- 3 percent of valuation subject to taxation		\$ 1,597,300
Amount of debt applicable to debt limit	\$ 606,135	
Less: Net assets in General Obligation Bonds Fund..	<u>3,269</u>	
Net general bonded debt	602,866	
Other deductions allowed by law (1):		
Bonded indebtedness -- Water/Hetch Hetchy and		
Clean Water Program	<u>33,025</u>	
Total amount of debt applicable to debt limit		<u>569,841</u>
Legal debt margin		<u>\$ 1,027,459</u>

Note:

(1) Charter Section 6.401 Limitations on Bonded Indebtedness.

"(a) . . . Bonded indebtedness heretofore or hereafter created for water supply, storage or distribution purposes . . . shall be exclusive of the limitations on the amount of bonded indebtedness of the City and County . . .".

CITY AND COUNTY OF SAN FRANCISCO

COMPUTATION OF DIRECT AND OVERLAPPING DEBT

June 30, 1993

<u>Jurisdiction</u>	<u>Total General Debt Outstanding</u>	<u>Percent Applicable to City and County of San Francisco</u>	<u>Amount Applicable to City and County of San Francisco</u>
City and County of San Francisco.....	\$606,135,000	100.00%	\$ 606,135,000
Bay Area Rapid Transit District.....	244,150,000	29.93%	73,074,095
Total.....			<u>\$ 679,209,095</u>
Population - 1993.....			743,606
Per Capita Direct and Overlapping Debt.....			\$ 913.40

RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL BONDED DEBT TO TOTAL GENERAL EXPENDITURES(1) (2)

Last Ten Fiscal Years

(In Thousands)

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Total General Expenditures</u>	<u>Ratio of Debt Service to Total General Expenditures</u>
1984.....	\$17,570	\$6,268	\$23,838	\$833,912	2.90%
1985.....	17,085	5,361	22,446	940,382	2.40%
1986.....	18,235	5,616	23,851	961,448	2.50%
1987.....	18,200	6,395	24,595	1,060,315	2.30%
1988.....	16,340	6,682	23,022	1,109,991	2.10%
1989.....	10,720	9,454	20,174	1,135,877	1.80%
1990.....	14,240	13,231	27,471	1,262,996	2.20%
1991.....	13,635	14,521	28,156	1,392,204	2.00%
1992.....	16,965	27,440	44,405	1,435,520	3.10%
1993.....	27,385	34,825	62,210	1,548,546	4.02%

Notes

- (1) Includes General, Special Revenue and Debt Service Funds.
- (2) Includes General Obligation Bonds of Water Department/Hetch Hetchy Project and Clean Water Program as explained in notes 5 and 9(c) and (g) to the combined financial statements.

CITY AND COUNTY OF SAN FRANCISCO

DEBT SERVICE COVERAGE BY ENTERPRISE REVENUES
AIRPORT, PORT, CLEAN WATER (1), MUNICIPAL RAILWAY AND
WATER/HETCH HETCHY

Last Ten Fiscal Years

(in Thousands)

Fiscal Year	Gross Revenue (3)	Direct Operating Expenses (4)	Net Revenue Available for Debt Service	Debt Service Requirements (2)			Debt Service Coverage
				Principal	Interest	Total	
1984.....	\$366,503	\$281,649	\$84,854	\$26,934	\$48,406	\$75,340	\$1.13
1985.....	427,052	336,203	90,849	22,820	51,251	74,071	1.23
1986.....	657,821	532,396	125,425	19,605	66,226	85,831	1.46
1987.....	637,996	536,979	101,017	19,910	64,167	84,077	1.2
1988.....	704,592	570,880	133,712	19,625	63,093	82,718	1.62
1989.....	653,404	526,924	126,480	20,165	67,005	87,170	1.45
1990.....	670,816	543,804	127,012	26,829	74,280	101,109	1.26
1991.....	739,147	601,318	137,829	27,355	79,887	107,242	1.29
1992.....	793,249	606,607	186,642	31,130	81,892	113,022	1.65
1993.....	828,271	658,930	169,341	33,395	104,523	137,918	1.23

Notes

- (1) In FY 1989-90 and FY 1990-91 operating transfers of \$4.6 million and \$4.6 million, respectively, were made from property tax revenues in the Debt Service Fund to supplement a customer rate increase, to provide for general obligation debt service of the enterprise fund. A similar transfer for \$4.6 million was made in FY 1991-92.
- (2) Covers general obligation and revenue bonds for all indicated enterprise funds. Water Department/Hetch Hetchy Project general obligations bonds are excluded as explained in note 5 and 9(c) to combined financial statements. Similarly, clean Water Program general obligation bonds are excluded since FY 1985-86 as explained in note 9(g) to combined financial statements.
- (3) Gross Revenue includes operating revenues, non-operating revenues and operating transfers in except transfers directly committed to repayment of general obligation debt service.
- (4) Direct operating expenses include operating expenses (except depreciation), non-operating expenses (except interest expense) and operating transfers out.

CITY AND COUNTY OF SAN FRANCISCO

DEMOGRAPHIC STATISTICS

Last Ten Fiscal Years

Year	Population (1)	Per Capita Income (2)	Median Age (2)	Public School Enrollment (3)	Unemployment Rate % (4)
1984.....	706,928	\$13,077	34.9	61,433	7.8
1985.....	719,154	14,321	35.0	67,399	6.4
1986.....	741,568	15,945	35.2	68,803	5.7
1987.....	742,681	17,311	35.5	69,169	5.1
1988.....	741,250	18,806	35.8	68,540	4.4
1989.....	731,693	18,409	36.1	67,132	4.2
1990.....	726,962	20,158	36.4	66,589	3.9
1991.....	726,710	20,870	36.0	66,368	4.7
1992.....	728,730	20,069	36.2	66,589	6.1
1993.....	743,606	19,099	36.4	66,656	7.2

Sources

- (1) State Department of Finance
- (2) Sales and Marketing Management -- 1992 Survey of Buying Power
- (3) San Francisco Unified School District (includes Child Center, Juvenile Court School, etc.)

CONSTRUCTION, BANK DEPOSITS AND PROPERTY VALUE

Last Ten Fiscal Years

Year Ended	Authorized New Dwelling		Value of Building Permits (1)		Bank	Real Property Values (1) (2)		
	Units		Residential	Non-residential	Deposits (1) (4)	Residential	Non-residential	Non-taxable
1984.....	1,313 (3)		188,297 (3)	674,381 (3)	26,760,998	12,945,768	11,935,383	979,814
1985.....	1,096 (5)		228,114 (5)	522,011 (5)	24,222,093	15,235,325	12,236,232	1,099,514
1986.....	1,427 (5)		306,217 (5)	731,048 (5)	35,229,579 (6)	16,501,324	13,899,210	1,100,000
1987.....	2,565 (5)		420,842 (5)	442,256 (5)	32,576,614 (6)	18,111,261	15,319,912	1,285,585
1988.....	2,439 (5)		348,821 (5)	593,005 (5)	35,227,013 (6)	19,835,823	16,704,566	1,329,366
1989.....	1,924 (5)		364,253 (5)	429,971 (5)	34,916,971 (6)	23,478,469	22,162,707	1,315,761
1990.....	1,013 (5)		295,998 (5)	523,083 (5)	35,410,949 (6)	25,878,511	23,845,436	1,369,596
1991.....	836 (5)		282,766 (5)	486,170 (5)	36,491,170 (6)	27,270,064	22,653,997	1,455,699
1992.....	1,037 (5)		260,061 (5)	493,894 (5)	36,262,404 (6)	28,429,764	22,758,379	1,423,645
1993.....	1,054 (5)		266,736 (5)	435,333 (5)	N/A	30,046,385	21,095,489	1,845,279

N/A - Not available.

Note: (1) In thousands.

Source: (2) Assessor, City and County of San Francisco (excludes State Board Roll.)

(3) Security Pacific National Bank, Economic Research Division (calendar year basis.)

(4) State Banking Department.

(5) Department of Public Works - Central Permit Bureau, City and County of San Francisco (fiscal year basis.)

(6) Includes savings and loan deposits.

CITY AND COUNTY OF SAN FRANCISCO

PRINCIPAL TAXPAYERS

June 30, 1993

<u>Taxpayer</u>	<u>Type of Business</u>	<u>1993 Assessed Valuation (In 000's)</u>	<u>Percentage of Total Assessed Valuation</u>
Pacific Gas & Electric Company.....	Utilities	\$ 1,228,078	2.24%
Pacific Bell.....	Utilities, Communications	1,059,553	1.93
555 California Street Partners.....	Office, Commercial	758,132	1.38
Embarcadero Center (Includes Hyatt Regency Hotel and Embarcadero West).....	Office, Commercial, Hotel	546,793	1.00
Marriott Corporation.....	Hotel	358,520	.65
Rincon Center Associates.....	Office, Commercial & Residential	351,527	.64
Viacom Cablevision.....	Cable TV, Possessory Interest, Personal Property	265,566	.48
101 California Venture.....	Office, Building	251,566	.46
Post-Montgomery Associates.....	Office, Commercial	217,348	.40
JMB Group Trust.....	Office, Commercial	<u>198,845</u>	<u>.36</u>
Ten largest taxpayers.....		5,235,928	9.54
All other taxpayers.....		<u>49,657,468</u>	<u>90.46</u>
Taxable assessed valuation- all taxpayers.....		<u><u>\$54,893,396</u></u>	<u><u>100.00%</u></u>

CITY AND COUNTY OF SAN FRANCISCO

MISCELLANEOUS STATISTICS

June 30, 1993

Date of incorporation.....	April 15, 1850
Form of government.....	Chartered City and County
Area.....	46.1 square miles
Miles of streets.....	850.9 miles
Number of street lights.....	38,933
Fire protection:	
Number of stations.....	41
Number of firefighters.....	1,456
Police protection:	
Number of stations.....	10
Number of police officers.....	1,823
Education (K-12):	
Attendance centers.....	104
Number of classrooms.....	3,045
Number of teachers.....	3,596
Number of students.....	61,551
Municipal water department:	
Number of services.....	166,717
Average daily consumption.....	250 million gallons per day
Miles of water mains.....	1,415.2 miles
Sewers:	
Collecting sewers.....	748 miles
Transport sewers.....	150 miles
Authorized new dwelling units.....	1,054
Recreation and culture:	
Number of parks.....	225
Number of libraries.....	27
Number of library volumes.....	1.97 million
Employees (including police and fire):	
Classified service.....	21,539
Exempt.....	2,190







